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# MANAGEMENT IMPROVEMENTS

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OFFICE OF MANAGEMENT APPRAISALS AND SYSTEMS DEVELOPMENT //

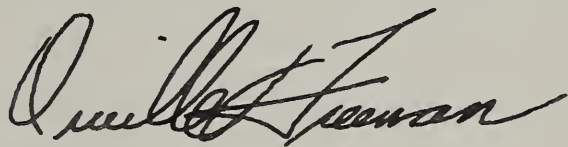


## FOREWORD

During the past three years, we have set up a program to improve management in the Department. The results have been gratifying. Agencies have developed more than 500 projects, half of them already completed. These projects will increase output, lower costs, and improve service. This progress has come from the joint effort of employees at every level in the Department.

This report contains examples of what we have done during 1963, and a listing of current management improvement projects.

President Johnson asks that heads of Departments give as much attention to "... the administration of programs as to the programs themselves." I have told the President that this Department will carry out its program and management work in the best manner possible. To do this we must improve on the record we have already made.

A handwritten signature in dark ink, appearing to read "Orville L. Freeman". The signature is fluid and cursive, with a large initial "O" and "F".

Orville L. Freeman  
Secretary



## CONTENTS

	<u>Page</u>
Accomplishments in Management Improvement	
Reorganizations and Consolidations .....	1
Manpower Utilization .....	3
Program Management .....	7
Systems and Procedures Development .....	13
Property and Supply Management .....	25
Current Projects for Management Improvement	
Reorganizations and Consolidations .....	29
Manpower Utilization .....	33
Program Management .....	49
Systems and Procedures Development .....	59
Property and Supply Management .....	83
Management Improvement Project System .....	87

THE FOUNTAIN

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SECTION I

ACCOMPLISHMENTS IN MANAGEMENT IMPROVEMENT





## REORGANIZATIONS AND CONSOLIDATIONS

1

An efficient plan of organization is essential to good management. Changes in mission and program content require constant review to assure accomplishment of assigned tasks. Opportunities to consolidate common services and functions must be captured.

### Reorganization Reduces Administrative Costs

A major reorganization of program operations and centralization of administrative functions in the Agricultural Stabilization and Conservation Service resulted in reductions of 545 man-years and \$3,320,000. Reductions of 622 man-years and \$5,014,000 are projected in fiscal years 1964 and 1965, below pre-reorganization levels. These reductions in cost and manpower were produced by consolidating five field offices into two; this improved efficiency and reduced overhead. Deputy Administrators in Washington were reduced from five to three and the number of divisions from 25 to 15. A management field office was established in Kansas City to perform many of the fiscal, personnel, and administrative services on a centralized basis for all ASCS Washington and field offices, and for other Department agencies at Kansas City, producing reductions in overhead costs.

### Area Conservation Offices and Work Units Eliminated

Seven area conservation offices were eliminated in the Soil Conservation Service during 1963. Studies of workload indicated that in most cases span of control could be extended. Each area office was made responsible for 12 work units, instead of 10. Area offices were reduced from 286 to 279. Elimination of these offices diverted 12 man-years, valued at \$108,000, to other program operations. Reviews of workload at the work unit level resulted in a reallocation of manpower and the consolidation of some units. An estimated 25 man-years, valued at \$200,000, were re-directed to units where workload analyses showed that staff help was needed.

### Major Organizational Changes in the Agricultural Marketing Service

Recent changes in egg and poultry production prompted the elimination of one of 6 area poultry inspection offices. The Chicago area was combined with the one served by Des Moines. This permitted the absorption of an additional \$50,000 of increased poultry inspection workload.

A reorganization of the Packer and Stockyards Division in fiscal year 1964 combined 26 field offices into 13 and reduced annual costs by \$25,000. Savings are being used to meet increased program workload.



Cotton standards and testing work is being transferred from Washington, D. C., to Memphis, Tennessee. This work can be accomplished more efficiently in an area close to the cotton trade. Travel costs will be reduced. A cost reduction of \$50,000, including the value of released space, is estimated for fiscal 1965.

#### Electric Farming Branch Eliminated

A thorough study of borrowers' requirements showed that they could secure the extensive technical assistance needed in the application of electric power to farming operations from sources other than REA. Consequently, the Rural Electrification Administration has eliminated the Electric Farming Branch. This action will result in a total savings of nine man-years, valued at \$100,000, by fiscal year 1966. Employees holding these positions have been reassigned to fill positions of higher priority work.

#### Sub-Laboratory Improves Service

The Agricultural Marketing Service has established a dairy products sub-laboratory in Syracuse, New York. This resulted in savings of as much as 3 days in the time needed to complete grading and analyses of dairy products for users of the service. The time saved benefits plants, industrial users, and exporters in the Northeastern States, as the cost of this service is charged to users.

Improved Organization and Procedures in Power Supply Activities  
Functions in the Rural Electrification Administration Power Supply Division were realigned in February 1963, to strengthen this program. Changes included establishment of an Area Planning and Coordination Staff, a National Planning Coordination Engineering Position, and a Technical Advisory Staff. The Planning Branch was abolished.

#### Consolidation of Administrative Activities

A field administrative unit of the Agricultural Marketing Service was recently abolished and the work absorbed by the administrative group in Washington. Transfer of the work eliminated duplicate handling of requisitions, work orders, and personnel actions, enabling a reduction of two positions. Yearly savings of over \$9,000 are being applied to program work in the Grain Division.

The Department's manpower utilization program seeks to match personnel resources with changing program and workload requirements. To this end, techniques have been developed to measure workload, performance and output.

#### Manpower and Cost Reductions in County Offices

Manpower savings in county offices have resulted in part from use of work measurement data. Work measurement systems apply to 95 percent of the total staff of the Agricultural Stabilization and Conservation Service. Staffs in the county offices of the Agricultural Stabilization and Conservation Service were cut in fiscal year 1963 by 683 employees — thereby reducing costs \$3,965,000. An additional reduction of 400 employees and \$2,286,000 is estimated for fiscal years 1964 and 1965.

#### Time and Progress Reporting

A system to provide an objective basis for determining operating costs and employee productivity was installed in the Soil Conservation Service. Each employee in the 3,400 field offices submits a biweekly time and progress report to show the kind and amount of work accomplished and time spent on each job. The system provides the area supervisor with a tool for judging how well goals are being reached and a basis for taking action should problems develop.

Copies of reports flow to State offices for analysis. Summary reports are produced by computers to provide top management with knowledge of cost and productivity trends.

The system is used in all States and action has been taken in conservation areas where productivity was low or costs high. Reviews of work performed, in relation to staff levels, have resulted in shifts of personnel, consolidation of work units, improved work scheduling, procedural changes, and the automation of paper work. Time, valued at \$900,000, has been re-directed to substantive program work.

#### Increased Productivity in Meat Grading

Worker productivity in the Meat Grading Program in the Agricultural Marketing Service increased over 9 percent during 1963. Compared to 1962 rates, each worker now grades nearly one-half ton more meat per hour. This increase resulted from use of work measurement systems which provide a basis for making better use of manpower. Improved work scheduling has reduced standby time on



grading lines. For the first time in years, there is no shortage of meat graders — even though more meat is being graded.

#### Better Manpower Utilization in Poultry Inspection

Productivity in the poultry inspection program in the Agricultural Marketing Service increased by 400,000 pounds, or 8 percent per man-year, during 1963. This resulted from training, improvements in inspection line design and plant layout, and the use of part-time inspectors to reduce the cost of standby time. An additional 131 man-years, valued at \$1,133,000, would have been required to carry the workload in fiscal year 1963 if inspections had been performed at 1962 productivity rates.

#### Increase in Soil Mapping Productivity

An increase in soil mapping of 272 acres per man-year was accomplished in the Soil Conservation Service during 1963. This resulted from reducing administrative duties of soil scientists. The total increase in work performed was equal to 10 man-years — valued at about \$89,000.

#### Manpower Economies Through Cooperative Agreement

Costs for fire-retardant mixing crews, equipment, supplies, and air tankers have been reduced through a cooperative approach in fighting forest fires. Agencies involved in this program are the Forest Service, the Bureau of Land Management, and the States of Utah and Nevada. Yearly savings to the Forest Service are estimated at \$36,000. In addition to direct savings in operating costs, resource value losses will be reduced.

A cooperative project has been developed with the Department of the Interior, Yellowstone National Park, whereby the Forest Service will assist in the expansion of the West Yellowstone, Montana, seasonal smokejumper base. The jumpers are used by all cooperators. Annual costs have been reduced through this program by \$7,500. Long-range cost reductions may total \$400,000.

Integration of air attacks with the California Division of Forestry reduced the number of Forest Service air tankers. The fleet of contract aircraft was reduced from 54 to 21 — an annual cost reduction of \$150,000. Joint inspections and higher maintenance and operational standards have promoted safety.

Productivity Increases in the Office of General Counsel

In the past 2 years the number of referrals to the Office of General Counsel has increased 13 percent (98,103 in 1961 to 110,785 in 1963), while the size of the staff has remained constant (393 positions in 1961 to 394 in 1963). The Office has been able to maintain a high level of legal service while increasing productivity through an effective manpower utilization program.

Refresher Training for Engineers

The Rural Electrification Administration has established a comprehensive course of instruction which provides participants with a better understanding of the design and operation of modern electric, generation and transmission systems. The course is designed to orient young engineers joining REA's staff and to broaden the perspectives of older engineers, working in these specialized areas.

Improved Manpower Utilization in Cotton Sampling

Part-time inspectors are now employed by the Agricultural Marketing Service during cotton harvest. The work of these seasonal employees has proved satisfactory and personnel costs have been reduced by about one-third. This development permits more sampling inspections without any increase in program costs.

Equitable Salary Rate Established

The Agricultural Marketing Service has developed new criteria for establishing equitable salary rates for nonallocated cooperatively controlled employees. Twelve factors have been established for determining the salaries of poultry graders. Using these factors, AMS has established salaries which are equitable for the type of plant and the geographical area concerned.

Instructions for Marketing Specialists Improved

A revised set of instructions to marketing specialists in the Agricultural Marketing Service is now being prepared. The instructions will set forth the responsibilities of each marketing specialist with respect to his assignment. The new instructions

have resulted in standardizing procedures and format for handling Federal milk order dockets. This has saved time and achieved greater uniformity and accuracy in the preparation and processing of docket material.

Improved Training Programs for Insurance Salesmen

A sales training manual and a training program for salesmen have been developed in the Federal Crop Insurance Corporation. The program has improved sales methods thereby helping to increase crop insurance participation by farmers and decrease cancellations.

Secretarial Training

The Office of General Counsel has developed a training program in administrative management for secretaries to regional attorneys and Washington division directors. This program will help make secretaries aware of supervisory and office management duties. A training course in administrative management for field secretaries was also held in Washington. The training program was made available for use by other organizations.

Supervisory Conference Developed

Three training conferences to improve the management skills of supervisors were held in the Agricultural Marketing Service during 1963. Program evaluations showed that the meetings improved the management skills of AMS personnel who attended. Nine such conferences are planned during 1964.



Increasing the effectiveness and economy with which program goals are realized is priority business in the Department of Agriculture. Great stress is being placed upon the need for continual improvement of the planning and execution of Agriculture's commitments to the tax paying public.

#### Cotton Storage Procedures Revised

Procedures for the selection of warehouse space for cotton being reconcentrated in or near ports, before shipment have been revised by the Agricultural Stabilization and Conservation Service. Past practice has been to pay standard rates of charge determined by the warehousemen. Storage rates are now set by competitive bid. Cost reductions are estimated at \$1.1 million for fiscal year 1963 and savings totalling \$2,100,000 are projected in 1964 and 1965.

ASCS standard storage rate schedules used to determine the cost of storing cotton near growing sites, prior to reconcentration for shipment or sale, were also reviewed. The new rates were established in cooperation with the warehousemen and have reduced the per bale cost of storage by 3.5¢. A savings of \$4,100,000 will result in fiscal year 1964, and in 1965 it is estimated that \$4,200,000 will be saved.

#### Reduction in Administrative Costs on Timber Sales

The annual timber cut on National Forests is expected to increase from 8.4 billion board feet in fiscal year 1961 to 11.2 billion feet in fiscal 1965. At the same time, the cost of timber sale administration and management has been reduced from \$2.68 to \$2.62 per thousand board feet. Part of this cost reduction results from increased sales volume, and part from better work planning and better uses of manpower. This represents a \$672,000 reduction in budget requirements for 1965.

#### Savings in Insurance Costs on Commodities

The Commodity Credit Corporation is considering discontinuing insurance on commodities and assuming the risk of loss. This could result in large savings to the Government. Computed at commodity volume levels prevailing in recent years, annual savings could total \$1,304,000 on cotton and possibly as much as \$4,531,000 on grains.

New Techniques in Market Cattle Testing

New testing methods for the detection of brucellosis under the Market Cattle Testing Program in the Agricultural Research Service has resulted in the testing of more herds with no increase in funds. Under the old system cattle were tested on the farm for about 90 cents a head. Large numbers of animals now are tested at market for less than 50 cents a head. The brucellosis detection program now covers the beef cattle population, some 25 to 30 million animals.

New Procedures on Price Support Loans

A simplified system for making price support loans on farm-stored grain will be placed in effect this year by the Agricultural Stabilization and Conservation Service. Under present procedures, detailed measurement and crop grading requirements are used to determine the loan amount. Under the new system, loans will be made on the basis of estimates of crop quantity and quality. Settlement of differences will be made after the grain is delivered to the elevator, where final weight and quality determinations will be made. The new system will save 170 man-years in county offices valued at \$1 million, beginning in fiscal year 1965.

Strengthening Internal Audit and Investigative Activities

Early in 1963, the Department's internal audit and investigative functions were consolidated in the new Office of the Inspector General. This provides a more responsible, flexible and impartial system for evaluating major program operations. Also, it will assure that the business of the Department is accomplished in the most efficient manner and within established statutory and administrative limitations. Concurrently, seven regional offices of the OIG were established. These offices will facilitate the review and evaluation of the highly decentralized activities of the Department. This reorganization and consolidation was made with no increase in funds.

New Safety Manual for Electric Borrowers

The Rural Electrification Administration has issued a new "safety manual." It will assist the management of the electric borrowers in carrying out effective safety programs and will be used by REA personnel working with borrowers.



Training Program Revised

Two training centers were consolidated into one and the format of several training courses revised in the Soil Conservation Service. Part of each course is now being given at the trainee's place of work to reduce per diem and travel costs. These changes have reduced training costs in SCS by an estimated \$85,000 annually.

Sampling and Classing of 1963 Warehouse Cotton Eliminated

The Agricultural Marketing Service was able to eliminate the sampling and classing of warehouse stocks of cotton for the carry-over report during 1963. This was done in 1963 only, because grade and staple data were available from previous years. The cost of determining the quality of cotton in warehouse stocks would have been \$50,000 for travel and drawing samples. The man-hours which would have been used for sampling and classing these stocks are estimated at \$50,000.

Improved Research Management

The Forest Service has improved the organization and administration of research programs. The ratio of trained technicians to professionals was adjusted from 1 to 4.5, to 1 to 2. This relieves professionals of certain routine and repetitive work. Nontechnical administration and management work that was handled by scientists has been shifted to management specialists. The number of research assignments in each work unit has been reduced by placing the work of each division at fewer locations. With fewer projects at each research center, leader positions are being reduced at research centers. Also, the duties are being shared by station division chiefs. This eliminates one level of research supervision. Eight division chief positions were eliminated in calendar year 1962; two more chief positions were eliminated in 1963. Plans for 1964 call for a further reduction by 20 division chief positions.

Rural Areas Development Survey

A survey was made by the Rural Electrification Administration to assess accomplishments of its 1,050 electric and 768 telephone borrowers in providing leadership and technical guidance in the economic development of the areas they serve. Responses from one-third of the borrowers showed active participation in 414 agricultural, commercial and industrial projects. These projects resulted in direct employment for some 30,000 persons and involved about \$265,000,000 in financing. Survey responses provided REA

with data on ways to improve assistance to borrowers in future area development efforts. REA publications encouraged borrowers to participate in the development of their areas.

#### Elimination of "Food Guide"

The monthly "Food Guide" was designed for use by retailers and wholesalers in influencing food coupon shoppers to purchase more nutritious and economical foods. Surveys have shown that the "Guide" was not effective. The "Guide" duplicated to some extent the food list and objectives of the monthly "Plentiful Foods" release. The "Food Guide" was discontinued with the November 1963 issue, and trade sources, local nutrition committees, and other groups supporting the Food Stamp Program are being urged to use the monthly Plentiful Foods list instead. An estimated 2,400 man-hours per year will be saved as a result of discontinuance of the "Food Guide".

#### Increased Accuracy of Marketing Information

The Agricultural Marketing Service has been able to obtain a direct teletype link with Associated Press and United Press International from the Marketing Information Division area offices in Chicago and Dallas. A transmitter and a reperforator to handle volume have been installed in the Chicago office, and a receiver was installed in the AP Bureau Office. Through cooperation of the New York Dairy and Poultry Market News offices, the New York Wholesale Meat reporting office, the Chicago Livestock Market News office, the Illinois Federal-State Grain Office, the Washington teletype office, and other offices, it is now possible to relay reports to the AP Bureau in time to meet their deadlines and in turn the deadlines of users of their service. More commodity reports are being added regularly. This has increased service with an added cost of only \$40 per month for equipment and 60 percent of one man-year.

#### Administration of Funds for School Lunch and Milk Programs

Funds for the National School Lunch and Special Milk Programs are now provided on a 10-month rather than a 9-month basis. Funds now arrive in the States on the 25th day of the month for which the obligation was incurred. The new procedures should reduce the interest costs of the Government.



Contract Approval Delegated to Field

The Rural Electrification Administration revised procedures to allow field representatives to approve certain types of contracts between REA borrowers and contractors. The new procedures will eliminate delays in processing contracts and expedite construction work.

Revision of Market News Reports

Cotton market news reports were revised to conform to the shift in marketing patterns from central to local markets. The Agricultural Marketing Service now provides farmers and other segments of the industry with a more useful type of market news. The revised reports also result in widespread dissemination of market data relating to cotton prices, quality, demand, supply and movement at both the local and national levels.

Telephone System Design Requirements Revised

A review of telephone system and design requirements was recently completed by the Rural Electrification Administration. A manual has been issued for the use of REA borrowers and consulting engineers that includes new or improved design requirements and the latest advances in telephone systems. Benefits will accrue to borrowers in the form of more efficient, dependable and economical telephone service.

Pilot Food Stamp Program Improved

Based on experience in the 8 pilot projects, the Agricultural Marketing Service developed guidelines for use in the operation of the Pilot Food Stamp Program. These guidelines cover all major aspects of the certification process for participating households and the sale of, and accountability for, food coupons. AMS negotiations with State agencies permitted the development of specific procedures for each new project well in advance of the opening of the program. This resulted in the orderly development of new pilot projects and reduced administrative problems.

Development and Improvement of Electronic Equipment

New or revised specifications have been issued by the Rural Electrification Administration relating to acceptability standards for electronic equipment. Wire line carriers and voice frequency repeater equipment were included in the revised "List of Materials Acceptable for Use on Telephone Systems of REA Borrowers".

Consumer Benefits Program Developed

The Rural Electrification Administration has developed the "Five Star Program" for use by REA and borrowers to insure that rural electric cooperatives meet their full potential for service to members, communities, and the country. A manual has been developed to assist electric cooperatives in evaluating their efforts so as to find potential areas of improvement.

Improved Communications with Experiment Stations

The Cooperative State Research Service is now publishing the Agricultural Science Review. The Review will be issued on a quarterly basis and will assist in the planning and coordination of information on agricultural research.

New Engineering Standards Established

Engineering standards for a number of large-capacity generation and transmission facilities have been completed in the Rural Electrification Administration. The new standards will provide guidance to consulting engineers and manufacturers of electrical equipment. The standards will also benefit REA and its borrowers by assuring standard construction quality.

Realignment of Poultry and Dairy Market News Area Office

The Agricultural Marketing Service has realigned the geographic boundaries of three areas for supervision of the dairy and poultry market news program. Responsibilities for reporting in the major broiler producing area and the rapidly increasing egg production area in the Southern States was placed with an area supervisor in Atlanta. The reporting in the northeastern area is supervised out of Philadelphia. The western area centers in Kansas City. Better management has resulted.

Procedure for Handling New Equipment Types

A new procedure for handling new or untried items of equipment has been issued by the Rural Electrification Administration. Evaluation and listing of new equipment will provide a ready reference to items available and specify conditions under which they may be used. Referrals from REA borrowers to the Washington office will be reduced through use of this reference.



Improved management, increased efficiency and cost reduction begin with the development of new systems, procedures, and techniques. Technological advances such as automatic data processing and the development of modern management tools such as operations research, combine with the development of new administrative and operating procedures to accelerate management improvement in the Department.

#### Centralization of Payroll and Related Activities

Among the new systems developed in the Department is the consolidation of all payroll and directly related accounting and personnel work. This work was performed in 87 payroll and accounting offices and 130 personnel offices. These functions are being consolidated in one location. Approximately 33,000 employees are now covered by the system, and 16 payroll offices have been closed. The estimated reduction in cost of payrolling and related operations of \$1.3 million and 245 man-years was reflected in 1964 appropriations. The system will provide information to improve manpower utilization and analysis of program costs. This system has government-wide implications, particularly the exchange of data between agencies, and has potential for use by other civilian agencies.

#### New Inspection System Produces Savings

Program inspection procedures have been revised in the Soil Conservation Service. Under the new system, about 1,600 annual inspections will be replaced by 95 comprehensive inspections. The reduction was made by eliminating biannual inspections of the 3,000 work units, and replacing them with comprehensive area inspections. Area conservationists will assume greater responsibility for review of program progress and administrative procedures at the work unit level. The availability of current management data produced through the new SCS Time and Progress Reporting System gives area supervisors a better basis for planning and evaluating the performance of work units. About 70 man-years of time, valued at \$570,000, will be diverted to more urgent program work during fiscal years 1964 and 1965.

#### Automation of Cotton Sales Invoicing

Data processing equipment is now being used by the Agricultural Stabilization and Conservation Service to invoice cotton sales. The increased speed and efficiency of invoicing makes it possible to move sold cotton prior to the end of the month in which

sales are made. This saves a month's storage. Cost reductions in storage charges during fiscal year 1964 will be \$492,000, and are estimated at \$323,000 for 1965.

#### Computer-Produced Road Design Data

A system to develop road construction data through the use of electronic computers is now used by the Forest Service. Advantages of machine-computed design methods include the elimination of tedious and time-consuming manual computations, a reduction in design error, and better utilization of skilled engineering time. Use of this system on 500 miles of road work in 1965 will reduce construction costs by an estimated \$130,000.

#### ADP Applied to Timber Management Program

Automatic data processing is being applied to a number of functions in the timber resource management program of the Forest Service. Tree volume formulas, mill study data, lumber marketing statistics, and other data used for annual work plans are being produced by computers. As a result, during 1963 costs of timber management were reduced by an estimated \$50,000.

#### New Aerial Photo Techniques

Advances in laboratory methods are now used by the Agricultural Stabilization and Conservation Service to verify the accuracy of aerial photos without obtaining additional ground measurements in the field. The scale of photo enlargements used to check compliance under acreage allotment programs now is verified by comparison with known distances established by previous ground surveys. Files of measurement data are being developed and these data are used to verify the scale accuracy of photos in the laboratories rather than in the field. The costs of verifying the accuracy of the photographs were reduced by \$20,000 in fiscal year 1963. In the next 2 years, as data for more counties are developed and fewer ground measurement surveys are needed, a cost reduction of \$120,000 is likely.

#### New Techniques in Range Reseeding Program

Methods for the preparation of seedbeds in the range reseeding program have been changed by the Forest Service. In the past, ground was prepared for seeding by plowing and disking. These methods have been replaced by deep furrow drilling, which reduces the cost of seeding by \$12 to \$15 per acre. During fiscal 1963, 1964, and 1965 this new method will reduce costs by \$85,000.



New Techniques in Beetle Eradication Program

More economical methods for the control of Black Hills beetles are now used by the Forest Service in locations where infestations are concentrated and the terrain permits machine operations. These beetles, which were controlled with insecticides, annually kill hundreds of commercially valuable pine stands in certain western and mid-western States. The Black Hills beetle now is being controlled by cutting and burning trees infested with beetle eggs. It is estimated that \$75,000 will be saved annually through this new control measure.

Improvement in Research Efficiency

The use of more scientific equipment and the introduction of labor saving systems have made it possible for the Agricultural Research Service to extend research work without additional funds. For example, mechanical chart readers and small-scale computers increased output in watershed hydrology research by 20 man-years. The use of electron microscopes, and a capacity to perform special scientific operations, such as gas chromatography, have made it possible to do research work with a saving of 78 man-years of time. The use of heat-monitoring devices diverted 14 man-years of time to more productive work.

Improved Market News Communication

A new system for the distribution of international market news was implemented in 1963 by the Foreign Agricultural Service. Communications with agricultural attache offices and embassies have been improved by the installation of high-speed data transmission equipment. Information now moves from foreign posts to user agencies in 2 to 7 days instead of 7 to 30 days.

Rapid reporting of trade opportunities has resulted in sales of more of United States agricultural commodities. For example, the new rapid transmission system was recently used to advise United States producers that a market for \$3 million worth of rice existed in Iraq, a market of which United States producers apparently were unaware.

Statistical Sampling in Voucher Examination

Economies and improved manpower utilization can be achieved with use of statistical sampling methods in checking expenditure vouchers. Present practices require complete examination of all vouchers prior to certification for payment. Studies and pilot tests show that voucher examination costs in the Department could be cut by as much



as \$400,000 a year. A draft of proposed legislation to permit use of statistical sampling methods has been submitted to the Congress by the Director of the Bureau of the Budget.

#### Improvements in Road and Structure Design

The Forest Service has sought to improve the design of roads and structures to reduce maintenance costs. Timber-access road repair costs have been cut by changes in construction designs. Reduction of sedimentation and erosion has resulted in savings in costs of maintenance. Design standards for the drainage of logging roads and skid trails have reduced erosion and gullying of roads. As a result, maintenance during periods of use is greatly reduced, and roads and trails are ready for use again at the beginning of the next cutting cycle. Savings have averaged \$1,000 per mile, or \$300,000 to date. Improved design has been extended to other areas, including prefabrication of camp ground facilities and residences.

#### Stockpiling of Seed for Revegetation

The emergency procurement of grass seed immediately after a fire has precluded adequate market surveying and advantageous purchasing in relation to seasonal variations in seed prices. Also, it has been difficult to procure seed of some species when needed and in proper amounts. A system for stockpiling seed at regional caches was adopted. This has the following advantages: lower seed prices, reduced procurement expenses, reduced delay in seed delivery, and provides a source of seed for high priority projects when time is a critical factor. One Forest Service Region showed savings of \$5,000 due to lower seed prices, and it is estimated that Service-wide savings will be about \$50,000 annually. Savings in soil and water resources resulting from prompt seeding of burned watershed areas are also significant.

#### Use of ADP in Insured Loan Functions

The Farmers Home Administration is now using automatic data processing equipment to perform two insured loan functions which were done manually. Memoranda statements of account for about 12,000 new loans a year are now prepared as well as sale dockets for some 6,000 loans a year. These two functions have been combined with another process by using loan-charge punch cards, which are already available.

Planned dates for delivery of sales dockets are more easily and accurately estimated under the new system than was possible with the manual system. Savings in clerical time amount to about 1,700 man-hours yearly.

#### Reporting Forms Improved

Effective market surveillance work by the Commodity Exchange Authority requires prompt and accurate reporting of daily futures transactions. The form used to report these transactions has been revised. The new form has reduced the problem of daily balancing of figures and has cut the amount of correspondence previously required to correct reports. About \$3,000 will be saved annually.

#### CEA Gets Faster Market Facts

Using faster, more versatile electric accounting machines, the Commodity Exchange Authority has cut by one-half the time required to audit and tabulate some 1,200 to 1,500 daily reports from exchange clearing members, brokers, and large traders in the commodity futures markets. With the new system, auditing of reports is completed in about six man-hours instead of 15. Common auditing errors sometimes overlooked in manual operations are eliminated. Work jams during periods of very heavy trading are reduced. Faster and more efficient report-processing makes it possible to detect heavy speculative trading and positions quicker, and enables CEA to move faster in getting corrected reports to the public and into regulatory use.

#### Centralized Dictating System

A centralized dictating system, using the regular Department telephone system was set up by the Office of General Counsel on a limited basis to provide an opportunity to study the feasibility of using this type of service. The dictator may use the system from any phone served by PBX in the Administration and South Buildings. The system can be used at all times, including nights, week-ends and holidays. Experience indicates that the system will be useful in the Washington offices. Initial cost of the equipment and installation was about \$4,500, and operating costs are about \$750 a year. Estimates are that the costs of stenographic services without this system would be \$12,000 more than current costs for the centralized system.



New Procedures Established for Cotton Sampling

The practice of sampling and classing cotton at mill sites to obtain quality statistics on carryover stocks has been discontinued by the Agricultural Marketing Service. A new system has been established whereby the mills furnish estimated data on quality. The accuracy of estimated data has proved adequate for purposes of carryover reporting. The new system will reduce costs by \$12,500 annually.

Conversion of Records System to ADP

Some 3,000 caseload reports are received each 6 months by the Farmers Home Administration for summarization and analysis. State and national summaries are prepared by loan type, and a register was used to record extensive caseload data for some 1,500 offices. The reports involved about 40 items of data from all counties. These caseload reports have been converted from manual to automatic data processing equipment. It is expected that other valuable information can be obtained from the punch cards, which would have been too costly if manual methods were used.

Teams for the Conduct of Major Investigations

The Agricultural Marketing Service plans to continue to use the team or task force approach for the conduct of major investigations under the Packers and Stockyards Act. Previously, such investigations were divided and delegated to the various field offices. The control of such investigations became complicated and time consuming. Serious delays occurred in completing major investigations. Under the new system, one person in the Washington office is placed in charge of coordinating the various phases, such as assignments of personnel, selection of firms, or persons to be investigated, types of evidence needed, and scales or facilities to be checked. By using this approach, investigation may be completed within several weeks, where it used to take months or years. Chances of obtaining corrective action are increased, since the evidence obtained is current and up-to-date. An annual recurring saving of \$10,000 in travel costs is estimated. Savings have been used to expand the number of investigations that are conducted.

Consolidation Loans on One Statement of Account

The separate statements of account which were prepared for farm ownership, soil and water conservation, and rural housing loans have been combined into one statement-of-account form. As a result, about 7,000

name-and-address punch cards and annual statements of account have been eliminated, plus some reduction in the number of receipts for payment. Preparation of duplicate name-and-address cards have been eliminated when borrowers receive different types of loans. The application of receipts by loan clerks has increased from an average of 20 to 25 per hour, a 25 percent increase. An additional 2.5 man-years would have been required to process the work under the old methods. Manpower and equipment savings have been realized by operating from one instead of three files of direct real estate receivables.

#### Automated Bid and Acceptance Procedure

Record keeping and reporting for the bid and acceptance procedure for the sale of corn meal and wheat flour have been automated in the Minneapolis Commodity Office of ASCS. Delivery notices are issued, payments are verified, and accounting entries made during the mechanical processing. Estimated saving resulting from this change are \$931 for fiscal year 1964.

#### Improvements in Cotton Classing

During recent years, persons concerned with cotton quality standards have cited the need for more quality measurements to supplement grade and staple evaluations. Several air-flow instruments have been developed to provide a more complete measurement of cotton quality. These instruments measure the fineness and maturity of cotton fibers, which indicate spinning quality. The measurements are known as micronaire readings. All Cotton Division classing offices are now equipped to provide micronaire readings. Services are on a fee basis.

#### Improved Research Review Procedures

The Cooperative State Research Service has installed new methods for measuring and evaluating the planning, progress, and administration of research station programs. Three phases have been developed: (1) the review of planning and administration of overall station programs is performed biennially by an Agricultural Administrator; (2) the review of planning and progress of each subject matter area is conducted by qualified scientific staff; and (3) the review of expenditures and accounts is made by members of the administrative staff having competence in this field.



Paperwork Reduced

The Federal Extension Service is revising and consolidating project agreements, work plans, and annual reports. Project agreements have been reduced from 24 to 8 per State or from 1,200 to 400 nation-wide. This has facilitated program planning, increased program integration, improved staff coordination, and simplified budgeting procedures. The reduced paper workload will allow more time for educational assistance. Moreover, 37 four-drawer file cabinets of annual reports will be eliminated.

Savings in Filing Space

The Milk Marketing Orders Division of the Agricultural Marketing Service made arrangements to have Federal milk orders published yearly in the Code of Federal Regulations. The Milk Marketing Order Division will no longer need to maintain large inventories of printed matter to meet the demands of the public. Arrangements were made to produce printed circulars or flyers containing information on the availability of the Code as it relates to the milk orders.

Improved Publications Distribution

A joint study by the Federal Extension Service, the Agricultural Research Service, and the Office of Information showed major weaknesses in the distribution system involving 38 million copies of State and USDA publications annually. A committee of State publication officers was appointed to study and suggest ways to improve the distribution system. A form was designed for all States and will replace the individual State forms previously used. This simplification of 51 order forms into one standard form should eliminate the re-typing of approximately 28,000 publication orders a year. One position has been saved as a result of this change in procedure. Other improvements are being made on a State-by-State basis.

Improved System for Promotion Appraisals and Awards

The Agricultural Marketing Service has a new employee rating system based on twelve factors of performance. The system provides an objective basis for promotion and selection of nominees for performance awards. This system has established the best promotion registers in the history of the organization. Management can readily determine those employees in need of training and document cases calling for disciplinary action.

Consolidation of Loan Instructions

The Farmers Home Administration has consolidated all instructions on emergency loan procedures. Having all policies and instructions in one package is a time saver for employees, and facilitates the training of temporary workers.

Acquisition of Foreign Publications

The National Agricultural Library initiated a system for identification and acquisition of foreign agricultural publications. This involved the cooperation of agricultural attaches. The system has produced more foreign agricultural publications for the library and greater bibliographic coverage of the foreign agricultural publications for the benefit of the Department and United States scientists. Freer flow of USDA publications to institutions abroad and improved relations with foreign institutions have resulted.

Disposal Schedule for ADP Media

The Office of Management Services has secured approval of a flexible disposal schedule for automatic data processing input and output media created in the Washington Data Processing Center. The schedule will be used by all agencies of the Department.

Simplification of Loan Servicing Procedures

Additional delegations of authority have been given to county and State Farmers Home Administration staffs under the Agricultural Act of 1962 in order to provide better service to borrowers. Accordingly, new and revised procedures on real property insurance have been placed in effect. The new procedures simplify the service of property insurance and provide field personnel with more guidance and authority in issuing insurance instructions and in using funds in settling insurance claims.

New Work Management System

A work measurement system was placed in effect in the Farmers Home Administration. Time studies will be made for loan making and loan servicing and administrative operations at the county office level. Time factors will be set, thus providing better work measurement data for budget and management purposes.



Mapping Standards Revised

Mapping data and procedures used by Rural Electrification Administration borrowers have been up-dated and revised. A uniform map location system was established and general improvements in mapping data were effected.

Housing Instructions Simplified

Three Farmers Home Administration instructions on planning and performing developmental work in labor housing and rental housing for senior citizens were combined into one. The new instruction will simplify the work of field personnel.

Production Control System Evaluated

An evaluation was recently made of the production control system used by the Rural Electrification Administration. Several steps in the procedures were changed to better meet the needs of REA programs. The revised system will expedite the processing of loans and constructing rural electric and telephone facilities.

Survey Technique Changed

Surveys of telephone borrowers by the Rural Electrification Administration during 1963 included personal contacts with borrowers rather than use of mail surveys. The value of the survey data was greatly improved as a result.

Improved Cotton Classing

Cotton classing offices now have cotton colorimeters which measure the color of cotton in relation to the grade standards. Twenty offices have air-flow instruments for measuring fiber fineness and maturity. These instruments are improving the cotton classification program. A fiber laboratory in Memphis, Tennessee has been equipped with air-flow instruments, a fibrograph, and a colorimeter. This laboratory is helping to maintain accurate and uniform standards for classing in all cotton offices.

Audit Practices Improved in Milk Marketing

Auditing practices and procedures used by Milk Market offices were recently studied in the Agricultural Marketing Service. Recommendations have been made to each office studied, indicating where improvement can be effected. The study will continue



until all markets have been covered. As a result of the study, the markets sampled now have a more adequate, uniform, and homogeneous type of audit procedure without increasing administrative costs.

#### Grain Report Eliminated

The Grain Division of the Agricultural Marketing Service determined that the reporting of quality of shipments of grain was not needed. The information has been used by the Agricultural Stabilization and Conservation Service, in Market News reports, and for annual reports. Elimination of this reporting saved 300 clerical hours per year. This saving has been applied to other program work.

#### Milk Order Statistics Produced by ADP

Monthly and annual statistical compilations on milk orders are now being made through the use of new automatic data processing programs in the Agricultural Marketing Service. During 1963, annual summaries for 1961 and 1962 were compiled and printed on ADP equipment for direct reproduction. This resulted in completion of the annual statistical summary several months earlier. This has produced annual savings of \$12,000, which will be diverted to other program uses.

#### Financial Forecasting Improved

The preparation of long-range financial forecasts has been simplified and improved for the use of Rural Electrification Administration borrowers. The new system will provide a means for evaluating accomplishments and forecasting probable planning results of borrowers.

#### Cooperative Development of Fire Control Devices

The Forest Service, in cooperation with the National Park Service, is developing a number of fire control tools. Last year, under cooperative financing, a colored smoke device for marking air tanker drops was developed. Effort is now being made to develop a field ration for fire fighters.

#### Blister Rust Control

Antibiotic fungicides have been developed by the Forest Service to control blister rust infestations. Use of these antibiotics will bring thousands of acres of white pine into productivity — acres not previously included in the control program because the value of the resources did not warrant the higher cost of previous control methods.

Radio Tapes

The installation of a high speed radio tape duplicating machine in the Office of Information has increased tape production by 60 percent in 1963. Moreover, the new equipment will free personnel for other essential work.

Continuous reviews and the development of new and improved property management techniques have produced significant economies in operations and have increased the overall effectiveness of Department programs.

#### New Contract Procedures for Wheat Shipment

A change in contract specifications for the shipment of wheat from Great Lakes ports to the East Coast was made by the Agricultural Stabilization and Conservation Service. The new procedures permit single contracts for the entire movement. In the past, a contract was negotiated for each step in transit (ship, barge, rail). An estimated cost reduction of 2.5 cents per bushel will be made on contracts in fiscal year 1964 producing a net savings of \$700,000. An additional cost reduction of \$300,000 is estimated for fiscal 1965.

#### Economies Through Purchase of ADP Equipment

Automatic data processing equipment used in the New Orleans and Kansas City Data Processing Centers has been purchased, rather than rented as in the past. Cost studies indicated that savings in equipment rent, after amortization of the purchase cost, will be \$900,000 in fiscal year 1964 and \$1.3 million in 1965.

#### More Meat for School Lunch Program

Revised purchase specifications for canned meats made it possible for the Agricultural Marketing Service to procure an additional 1.5 million pounds of meat valued at \$825,000, for the school lunch program. Previous specifications required that canned meat be packed in gravy, which requires another step in processing. All canned meat now being procured is packed in natural juices at a lower unit cost.

#### Savings Through Use of Excess Property

The Department observes a firm policy of using excess property, whenever available, rather than buying new equipment. The use of excess property instead of buying new equipment is a continuing program which will be given more emphasis during 1964. During fiscal year 1963, the value of excess property acquired for use within the Department was about \$28 million. Total utilization of such property exceeded that of the previous year by about \$8 million.



#### Savings in the Operation of Department Motor Vehicles

The Department held operating costs on its 29,000 motor vehicles at the lowest level consistent with acceptable standards of safety and dependability. Costs were reduced by an intensive preventive maintenance program and by periodic rotation of vehicles to avoid rapid deterioration in areas of hard usage. During fiscal 1963, Department vehicles were operated for approximately 7.3 cents per mile as compared with an average cost of 10.8 cents per mile in all civilian agencies of government. This means that the Department used its vehicles over 245 million miles for \$8.6 million less than comparable mileage would have cost at the average government rate.

#### Construction Specifications for Road Contracts

The Forest Service no longer uses standard construction specifications for road building and maintenance contracts. Analysis of contract procedures revealed that bid prices were often higher because contractors had to "import" materials to meet standard specifications which did not permit the use of local materials. Now each Forest Service region maintains specifications based on county and State highway construction programs and data provided by the Bureau of Public Roads. The new specifications will reduce the annual cost of road maintenance and construction by approximately \$160,000.

#### Physical Inventory Procedures Revised

Department regulations requiring physical property inventories were revised in late 1962. Physical inventories are now taken bi-annually, rather than annually, without loss of accountability control. This change in procedures reduces by one-half the time required for counting, preparing listings, and adjusting property records in 12,000 offices. About 20 man-years of time valued at \$80,000 were saved in fiscal year 1963. Savings will be diverted to more productive work.

#### Ferry Boat Charter Results in Savings

A charter arrangement for a ferry boat to transport employees to and from the Plum Island, N. Y., Animal Disease Research Center will reduce costs in the Agricultural Research Service by \$95,000 during fiscal year 1964. In the past, this service was obtained under contract with a local transportation company.

Savings on Copying Machine Paper

A recent study by the Office of Plant and Operations indicated that substantial savings could be made through use of lower cost copying machine paper. It has been common practice to buy paper from the same company that produced the copying equipment, frequently at much greater cost than the lowest priced paper available. The study showed that the lowest cost paper will work on any copy machine of the common diffusion transfer type and will meet acceptable performance standards.

As a result of this study, the Office of Plant and Operations has instructed Department agencies and staff offices to purchase the lowest priced paper. It is estimated that this will save about \$38,000 yearly.

Small Contract Procedures Improved

The Department has increased the use of contracts to handle segments of program operations. Efforts have been made to reduce the complexity of contract procedures and to use contract procedures similar to those used in private business. Simplified contract forms have been adopted that cut down on red tape and make it easier for small business firms to perform contract work.

Printing Costs Reduced

Department printing technicians simplified specifications for sight draft forms and certificates of interest. The revision permitted more printing firms to bid on contracts for the production of over 10,000,000 such forms annually. Printing costs in fiscal year 1964 will be reduced by approximately \$108,000.

Reduction in Files and Space

Study of filing operations in the Washington offices of the Agricultural Stabilization and Conservation Service during 1963 resulted in the elimination of 342 file cabinets of material. Also, equipment costs were reduced, 1,615 square feet of floor space was released, and administrative costs were cut by \$17,000.

Need for Aircraft Appraised

A study was initiated to determine the number of aircraft needed on stand-by for fire attack purposes. The Forest Service seeks, where possible, to obtain aircraft without payment of special



stand-by fees. A dispatching guide was produced for use by unit dispatchers in aerial fire control work. Guidance is provided on the use of aerial tankers in the initial attack. The use of aircraft, including helicopters, through cooperative agreement and pool use between agencies, is an important part of the program. Savings in manpower and equipment utilization are estimated at \$100,000 annually.

#### Timber Sale Contracts Revised

The Forest Service has reduced annual costs by \$200,000 through requiring timber purchasers to perform essential work in the sale area as a condition of sale. Under the terms of timber contracts, slash disposal, erosion control, road maintenance, and other work made necessary as a result of the purchaser's logging operations, are now the responsibility of the purchaser. In the past, this work was usually performed by Forest Service employees with cooperative funds deposited by the purchaser. By requiring timber buyers to do more of this work directly, Government work crews can be reduced and better use made of equipment.

#### Consolidation of Purchases

An analysis of procurement activities in the Agricultural Marketing Service showed that supplies and materials could be acquired at savings in costs and paper work through consolidated purchasing. As a result, 396 requisitions, 475 purchase orders, and 472 vouchers were eliminated. The reduction in paper work will save an estimated \$5,000 yearly.

#### Savings on Forms Procurement

The Agricultural Marketing Service is purchasing forms on the basis of seasonal requirements so as to permit consolidation of purchases and shipments. This project has resulted in an 8 percent decrease in the number of requisitions processed, better form supply planning, and systematic ordering of forms, and eliminated out-of-stock situations. About \$3,000 will be saved annually.

#### Disposal of Real Property

The Farmers Home Administration received authorization to dispose of all acquired real property rather than transfer excess properties to other Government agencies. Authority to dispose of property was redelegated to county and State personnel. This action will save time and the cost of referrals of property to other agencies. It also will make it easier to dispose of real property at field locations.



SECTION II

CURRENT PROJECTS FOR MANAGEMENT IMPROVEMENT



## Consolidation of Administrative Functions (ARS-3; 2/62)

The Agricultural Research Service will seek to combine similar routine administrative and service type functions at multi-unit field locations having two or more divisions. Administrative aides may be used to perform administrative management activities to give scientists more time for research.

## Laboratory Organization and Utilization of Research Personnel (ARS-24; 6/63)

The Agricultural Research Service will see if the goal of "laboratory organization conducive to research leadership" has been achieved since a 1958 reorganization in the Utilization Research and Development Division. The primary aim is to see if laboratory chiefs function primarily as research leaders or program managers.

## Organizational Review (ARS-25; 6/63)

The Agricultural Research Service will review effectiveness of Regulatory staff organizations in Washington. The adequacy of communication with line field personnel will be determined. Relationships among program development and services staffs in Washington and the field will be studied.

## Effects of Structural Realignment (ARS-26; 11/63)

The Agricultural Research Service will review the structure of its farm research divisions to see if objectives of a past reorganization are being achieved. Attention will be given to supervision, control, and common services for multi-branch and multi-investigation field stations.

## Compliance Checking (ASCS-9; 12/62)

The Agricultural Stabilization and Conservation Service is using several techniques to cut manpower and maintenance costs in compliance checking. On a test basis, reporters in selected States are being paid for units completed rather than on a daily rate. More farms are being measured before planting to speed checking. Better training is being given to reporters.



Centralized Service for Field Locations (ASCS-12; 9/61)

Responsibility for personnel management, administrative services and certain fiscal voucher examinations in the field has been reassigned to the Agricultural Stabilization and Conservation Service Management Field Office in Kansas City. The consolidation has assured uniform interpretation of procedures. The move has relieved the space shortage in the South Building. The Agency will seek to identify other field office functions that may be centralized.

Management Support Group (FAS-5; 9/63)

The Foreign Agricultural Service plans to set up a Management Services Division to integrate the functions of its management service units. The plans are designed to assure full support for management decisions and achieve greater economy. The consolidation will combine Administrative Services Division functions and certain key management functions such as management improvement, market development project agreements and contracting.

Barter and Stockpile Survey (FAS-10; 1/64)

The Foreign Agricultural Service will review barter and stockpiling operations to improve organization structure. Personnel classification and management audit techniques will be used.

Decentralization of Personnel and Fiscal Operations (FES-2; 7/62)

The main objective of this program is to eliminate duplicate work and records maintained by the Federal Extension Service and the States. This will result in more delegation to operating authorities and improved handling of personnel and fiscal matters. Savings will permit more counseling and training help to the States. A pilot program has been installed in five states - New Jersey, Ohio, Arkansas, Colorado and Oklahoma.

Consolidation of Management Services (FS-24; 7/62)

The Forest Service is studying the feasibility of consolidating management and administrative services for research stations and regional offices, and National Forest management services

and activities. There has been a general consolidation of management services for engineering. Initial effort has been made to consolidate information and educational functions for research stations and regional offices.

Continuing Review of Field Units (OMS-5; 12/61)

The Office of Management Services has devised a system for review of field organization units. Alignment of functions, use of manpower, implementation of management policies and directives, and staff assistance will be reviewed. Reviews were made in several field offices in the past six months. The program will be expanded in the last six months of fiscal year 1964.

Area Conservationist's Span of Control (SCS-37; 8/62)

For a number of years, the Soil Conservation Service has watched the span of control of its area conservationists — the first level of supervision above the district level. For awhile, 8 work units — plus associated specialists and watershed projects — were considered all one man could supervise. Six years ago the number was increased to 10. Recent studies indicate that an average of 12 work units can now be effectively supervised. More management training, careful selection of area conservationists, and improved supervision by State offices have all contributed to the improvement in area conservationists' operations. (Savings to date are reported under accomplishments.)

Washington Field Staffing Study (SCS-42; 10/63)

The Soil Conservation Service maintains a field based Washington staff of plant technologists, including agronomists, biologists, plant material specialists, woodland conservationists, and range conservationists. Because of changes in State staffs, a study was initiated to see if adjustments in the Washington Field Staff can be made.

Crop Insurance Administration at the County Level (FCIC-26; 1963)

The FCIC is strengthening the administration of the Crop Insurance Program at the county level by phasing out the non-Federal service-agent-type of operations and establishing crop insurance offices staffed by clerical employees appointed under Civil Service regulations. This will not affect the regular commission agent-type system where it is being successfully carried out. Each office will provide service to farmers in one or more counties with greater continuity than was possible under the previous informal type of operation. Qualified career clerical employees will be able to explain the terms of policies and answer the farmers questions. The goal is to establish 120 offices servicing 593 counties during fiscal year 1964.



Department-Wide Appraisal of Work Measurement Systems

A task force of key management personnel has been set up to appraise work measurement systems in the Department. The task force is making a thorough review of existing systems and is considering ways and means to extend systems to areas not now covered. For types of work that may not lend themselves to precise measurement, the task force will review for guides or indicator items that may be used to equate the work with some general standard.

AMS-Wide Work Programming System (AMS-14; 1/62)

The Agricultural Marketing Service plans to (1) relate program goals to needed resources over a reasonable span of years, (2) establish a means for program operators to relate their activities to these goals, and (3) provide a basis for reporting progress. Agency goals with lists of objectives (or more efforts) to support these goals were developed in 1963. Needed resources and time span were also given. In 1964, plans are to (1) integrate work programming with existing management control systems — such as appropriations, manpower, and space utilization, (2) install programmed schedules for use at each managerial level, (3) develop an integrated progress reporting system, and (4) adopt a process for regular updating of the system.

Redirection of Market News Efforts (AMS-34; 1963)

The objective of this project is to redirect or discontinue Federal participation in those market news programs where State participation or contribution is below acceptable standards, or the benefits derived are not broad enough to warrant Federal participation.

Training Course for Tobacco Inspectors (AMS-71; 6/62)

A pilot course in public and employee relations for tobacco inspectors was held in June 1962. This course pointed up strongly the need for such training. Aspects of the training have been geared into regular refresher courses. Special training will be conducted when circumstances permit.

Manpower Utilization of Tobacco Inspectors (AMS-73; 10/62)

The Agricultural Marketing Service made a study of encumbered employment for all seasonal tobacco inspection personnel. A study was also made of actual manpower needs consistent with

the various tobacco marketing seasons. Policies were revised to (1) reduce periods of employment for new appointees, (2) determine on an annual basis periods of employment for those appointed on or after July 1, 1963, and (3) reduce periods of employment for inspectors who receive additional assignments in other types of tobacco. The Tobacco Division was able to obtain annual savings of about three and one-half man-years, or \$25,000.

Manpower Utilization and Productivity in Poultry Inspections  
(AMS-92; 12/63)

This Agricultural Marketing Service project is concerned with increased productivity and improved manpower utilization in mandatory poultry inspection. The accomplishments to date are cited elsewhere in this report.

Work Measurement in Grain Division (AMS-96; 10/63)

The Grain Division in the Agricultural Marketing Service is developing a system to measure field office workload. Workload factors will be identified, methods standardized, and unnecessary work eliminated. The objective is to improve operations and provide an effective basis for both technical and clerical staffing needs.

Branch Warehouse Examination Work Measurement (AMS-99; 1/64)

The Agricultural Marketing Service plans to establish a work measurement system for the examination of warehouses licensed under the U. S. Warehouse Act. They will study the individual functions performed by a warehouse examiner and their relationship to capacity, in-and-out movement, physical characteristics, volume of commodity in storage, and degree of compliance found at time of examination.

Transportation Services Work Measurement (AMS-104; 1/64)

The objective of this study is to develop a system for measuring quantitative and qualitative aspects of work in the Transportation Services Branch in the Agricultural Marketing Service. A related project (AMS-102; 1/64) is concerned with development of an activity report to provide program information on analysis and evaluation of rate proposals.



Defense Readiness Program Work Measurement (AMS-105; 1/64)

The Agricultural Marketing Service is seeking to establish a way to measure work in the Defense Readiness Program.

Emergency Readiness Training Program (AMS-106; 1/64)

The Agricultural Marketing Service plans to complete by March 31, 1964, a study on Emergency Readiness Training Program needs — including training of persons in the other USDA agencies in emergency food management.

Training in Investigation and Reporting (AMS-107; 11/63)

The objective of this project is to improve through training the efficiency of the Packers and Stockyards Division field staff in conducting investigations and audits, and in writing reports of findings.

Development and Application of Work Measurement (ARS-5; 3/62)

The Agricultural Research Service is exploring work measurement techniques to determine which are applicable to ARS operations. Projects will be initiated within the specific areas of application.

Qualification Standards and Examining Procedures for Agricultural Research Scientists (ARS-7; 3/60)

This project involves a review of the current examination which was issued in 1956. A new up-to-date examination is planned.

Aids for the ARS Recruitment Program (ARS-8; 3/60)

The plan is to develop a separate flyer for each major program area in the Agricultural Research Service — each of which will follow the same basic layout and theme. These will be used to provide specific information for prospective recruits.

Qualifications for Administrative Officer Positions (ARS-9; 5/61)

The objective is to identify specific requirements for administrative officer positions, in addition to basic Civil Service requirements, needed for successful performance in these jobs.



Supervisory Development (ARS-12; 1/62)

The Agricultural Research Service plans to supplement its training of supervisors GS-13 and above with a separate program for the development of supervisors in lower grades.

Manpower Management Program (ARS-17; 12/63)

This will set up a formal Agricultural Research Service manpower control program using work measurement and control procedures. Coverage will be in the administrative management area first and will be extended to the program area.

Work Measurement System in Animal Disease Eradication Programs (ARS-18; 12/63)

The plan of work for this project includes developing a five-day seminar in work measurement techniques and writing a work measurement manual for the Animal Disease Eradication Division in the Agricultural Research Service. A work measurement system will be set up fitted to the needs of each State.

Work Measurement in ARS Management and Administrative Programs (ARS-19; 12/63)

Work measurement systems will be developed for both headquarters management and field administrative divisions in the Agricultural Research Service.

Standards of Performance for Meat Inspectors (ARS-21; 8/63)

Specific duties for personnel at the GS-7, GS-8, and GS-9 levels will be identified and job elements isolated by grade. Performance standards will be developed for each job element. The objective is to establish standards of performance for better manpower assignment and utilization of meat inspectors in the Agricultural Research Service.

Work Control, Measurement and Review (ASCS-27; 7/63)

The Agricultural Stabilization and Conservation Service has an established work measurement program for the various segments of its operation. It is now modifying existing designs and creating new systems to extend work control, measurement and review throughout the Agency. The application of new and

revised concepts will provide better data for budgetary, job classification and other management purposes — such as control over administrative costs and anticipation of work volume.

#### Utilization Surveys (ASCS-33; 1/64)

The Agricultural Stabilization and Conservation Service manages commodities through 4 major field offices. Teams of specialists are being formed to review all work now done in these offices. Each record kept and each report prepared must be justified. The entire work flow will be charted and reviewed for possible simplification. Additional applications of automation will be identified. The need for every job or position in the offices must also be justified. The first such survey, in Minneapolis, has been completed.

#### Surveys of Work in State Offices (ASCS-34; 1/64)

The Agricultural Stabilization and Conservation Service administers price support, conservation, and related programs through State and county offices located in 6 areas. Survey teams are going into at least one State office in each area to review the office organization and the flow and necessity of the work. Suggestions for eliminating work in administrative and program operations will be sought. A decision will be made later on whether like surveys in other States should be made.

#### Budget Review Procedures (ASCS-39; 1/64)

In place of a normal budget review, the Deputy Administrator, Management, will review, with the Director of each Division in the Agricultural Stabilization and Conservation Service, proposed travel and other expenses in detail — plus the work and purpose of each position in the Division. This thorough review, plus self-appraisals, will help to insure minimum staffing in ASCS in Washington.

#### Program Indices for Evaluation of Accomplishments (FCS-2; 4/62)

The Farmer Cooperative Service is seeking to develop workload factors and program indices suitable for planning, budgeting, and program evaluation. Charts are being developed to be used as guides in relating the FCS manpower level to workload.



Training in Accounting and Financial Management of Farmer Cooperatives (FCS-6; 3/62 - 4/64)

The Farmer Cooperative Service is setting up a training course designed to help staff members interpret financial statements and apply cooperative financial data. A tentative agenda and a practice problem have been prepared.

Simplification of FCIC Personnel Procedures (FCIC-23; 1963)

The Federal Crop Insurance Corporation is incorporating its personnel instructions into the Federal and Departmental Personnel Manuals. A review of the first 10 FCIC instructions, with 70 pages, has resulted in the elimination of all but 7 pages -- or a 90% reduction.

Fire Control Cooperation (FS-14; 2/62)

The Forest Service is making special studies with the Department of Interior agencies having fire protection responsibilities to see where joint or combined fire attack forces can be located. Cooperative arrangements have been prepared on a regional basis with the National Park Service, the Bureau of Land Management, the Bureau of Indian Affairs, and numerous State fire control organizations. Specific agreements include a cooperative smoke-jumpers base at West Yellowstone; recruitment, training and manpower pool arrangements of fire fighting forces; training of parachute rigging and paracargo techniques; and standardization of fire-hose fittings. An integrated air attack program was developed with the Division of Forestry in the State of California; a cooperative air attack program was developed with 3 Eastern National Forests, the Great Smokies National Park, and the Cherokee Indian Reservations; and a cooperative arrangement was made between the Forest Service and the University of Michigan for the development of fire fighting equipment.

Critical Requirements Study (FS-25; 3/63)

This study is being conducted by the Forest Service in cooperation with the Research Staff of the Department's Office of Personnel. A number of forest supervisors and rangers will be asked to cite specific instances they have experienced or observed which had critical application toward obtaining acceptable performance. Analysis of the incidents will help to identify training and development needs, and will better explain the nature of work and behavioral reactions of employees, permittees, or other Forest users.



Use of Engineering Skills (FS-26; 4/63)

The Forest Service is conducting a Service-wide study of the use of engineering skills. Three problem areas selected for detailed study are (1) recruitment, retention, and development of engineers, (2) engineering workload measurement, and (3) organization, coordination, staffing, and financing of engineering work.

Current Serial Records Work Control (NAL-16; 11/63)

This project is directed to possible improvements in the current serial records work area of the National Agricultural Library.

OMS Work Measurement System (OMS-4; 7/62)

The Office of Management Services is seeking to apply work measurement to management support activities. A manual for their work measurement system was scheduled for January 1964 issuance. Phase II of the project on quality measurement will begin in the last half of fiscal year 1964.

Evaluation of Research Positions (OMS-9; 4/62)

The Office of Management Services is developing special evaluation techniques to classify research positions. Such techniques use the "man-in-the-job" concept of evaluating the individual, as well as his research assignment. This more fully shows the total responsibility of the research position. A system was installed in the Economic Research Service to cover economic research positions. The Cooperative State Research Service may apply the system to biological and social science positions. The Farmer Cooperative Service may also use the system in its research jobs.

Integrated Planning of Personnel Management (OP-1; 4/63)

The objective of this project is to develop a system of integrated planning for personnel management functions in the Department of Agriculture. The Office of Personnel prepared long-range goals to be implemented through cooperative efforts with the agencies. An internal system for planning and reporting of Office of Personnel work was set up. This is also used for coordination with agency programs.

Personnel Inspections (OP-2; 4/62)

The Office of Personnel is seeking to improve the conduct of personnel inspections. Annual evaluation programs were obtained from each agency showing their inspection plans, schedules, and reports. In lieu of the detail type of inspection conducted by the agencies and the Civil Service Commission, the Office of Personnel is working on a broader basis to make a candid and objective appraisal of how personnel management is serving the agencies.

Defense Mobilization (OP-3; 7/63)

The Office of Personnel is developing a plan to assist Department agencies in developing an emergency organization. Procedures will be developed to firm up defense assignments. The project includes means to keep USDA employees informed and trained on emergency mobilization and survival procedures.

Selective Service Deferment (OP-4; 4/62)

The Office of Personnel will develop a Department plan to control requests for deferment of Department employees from military service. It will also assist the Director of Personnel in the application of the President's policy on Ready Reservists.

Career Programs (OP-50; 7/63)

Program input for the MOHR (Management of Human Resources) program will be developed. Career planning programs will be set up within the MOHR system and related research problems will be specified. Outlines of Plant Quarantine, Forester and Soil Conservationist career programs have been prepared.

Critical Requirements (OP-51; 7/63)

Research will be conducted to develop an improved performance record system. Examples of critical incidents have been collected from General Foresters, Soil Conservationists, Plant Quarantine Inspectors, Automatic Data Processors, Personnel Officers, and Accountants. The Office of Personnel will work with representatives of these groups to analyze critical incident data and prepare performance record forms.



Experimental Test Battery (OP-52; 7/62)

The Office of Personnel initiated an experimental test battery for new personnel — to be validated against subsequent job performance. Seven one-day workshops in test administration have been conducted.

Training Evaluation (OP-53; 7/63)

The Office of Personnel is doing research to provide a method for evaluation of management training programs.

Promotion Roster Analysis (OP-54; 7/63)

Selected promotion rosters will be analyzed to determine relationships among scores on various rating factors and the contribution of each factor to the overall promotability ratings of employees.

Retirement Forecasting (OP-55; 7/63)

The Office of Personnel will develop a technique to forecast retirement losses — as an integral part of the MOHR system.

Rate of Advancement and College Major (OP-57; 11/63)

This research study is designed to determine the relationship between college major and rate of advancement in the Soil Conservation Service.

Coordination of Classification and Standards Function (OP-100; 6/63)

Procedures are being established to review and evaluate classification, standards, and salary and wage administration programs in the Department.

Automation of the Classification Process (OP-101; 6/63)

The Office of Personnel plans to identify elements in the classification system that can be processed mechanically on an ADP system.



Examination (OP-302; 7/63)

The Office of Personnel plans to provide an examination program to meet agency needs. Current arrangements are being made for reorganization of Boards of Examiners in the Department. OP is also representing the Department at inter-agency meetings to develop examining approaches to meet needs in jobs common to many agencies — FSEE, Clerk Typist and Steno, Engineer, Hearing Examiner, and summer employment.

Merit Promotion Program (OP-303; 7/63)

The Office of Personnel will study differences in agency approved promotion plans and evaluate their effectiveness.

Performance Evaluation (OP-305; 7/63)

The objective is to improve the effectiveness of performance evaluation. Agency performance evaluation plans will be reviewed to determine (1) the extent to which performance standards are used, understood and accepted by supervisors and employees; (2) methods used to accomplish periodic appraisals; (3) the uses made by management and the employee of such appraisals; and (4) the status of the performance evaluation programs in terms of understanding and degree of acceptance by management and employees.

Accident Reporting System (OP-431; 6/63)

The Office of Personnel plans to maintain a system to report, record, and accumulate accident data. These data will be manipulated for control and directive purposes. Maximum use will be made of available ADP facilities to process data.

Policy Governing Employees' Compensation Act (OP-426; 6/63)

The Office of Personnel is developing Department policy and regulations on injury compensation. Guides will be prepared for negotiations between Department agencies and the Bureau of Employees' Compensation. Action to be taken if an employee is injured in the performance of official duties will be spelled out for agency heads, supervisors and employees. A new form, AD-365, was designed and issued for use in authorizing non-designated physicians or hospitals to check injuries. A policy was also established for charging leave for initial emergency treatment.

Periodical Organizational Analysis (OP-500; 7/63)

The Office of Personnel plans to develop a system to examine and report on agency organizational planning. The alignment and placement of functions, staff productivity, use of manpower, and coordination of work will be reviewed.

Utilization of Employee Skills (OP-501; 7/63)

The Department is seeking to unearth cases of under-utilization of its manpower and to place people in line with qualifications. A survey was conducted of personnel in grades GS-1 through GS-5. The study revealed cases of under-utilization of talent, and agencies are upgrading and reassigning personnel where appropriate. Another study will be conducted at the GS-6 through GS-9 level.

Slip-Sheeting of Personnel Regulations (OP-503; 7/61)

This project is directed to determining the adequacy of slip-sheeted Departmental personnel regulations. Under this system, the Federal Personnel Manual is used as the basic personnel regulation. Where additional Departmental policies are required, slip-sheets are inserted into the manual. The same practice is followed by agencies. This new system provides a single reference for personnel regulations.

Personnel Action Analysis for MODE (OP-504; 1/64)

The project objective is to select types of personnel actions which can be prepared by supervisors and other operating officials for direct input to the computer. A system will be developed.

Improving MODE System (OP-505; 7/63)

Efforts will be made to assist in the optimization of the MODE system by simplifying and standardizing personnel rules and procedures. Forms will be combined and simplified. Personnel input forms will be designed to reduce errors, speed completion and handling, and cut costs and man-hours.

Establishing Wage Board Positions Through Automation (OP-506; 7/63)

The Office of Personnel plans to develop a system for establishing wage board positions through automation. Grade determining factors have been completed for the mobile equipment operators series. The general machining, carpenter, and automotive equipment repairing series are being worked on.



Skills Inventory (OP-507; 7/63)

The objective of this project is to develop the system, codes, forms and procedures for capturing skills information on employees for input into the MODE system.

Disciplinary and Appeals Process (OP-600; 7/63)

The project objective is to speed up handling of disciplinary cases by agencies and to administer the Departmental Appeals System. Disciplinary actions taken by agencies under delegated authority will be reviewed to assure uniform application.

Accountant Trainee Program (REA-22; 3/62)

The Rural Electrification Administration has initiated a training agreement with the U. S. Civil Service Commission for an Accountant Trainee Program. Under this program eligible candidates for grades GS-5 may be promoted to GS-7 after completing a six-month trainee program. The added training and pay incentives have helped REA to fill accountant positions both in Washington and the field. A similar program had been previously started for electrical engineers, telephone engineers and operations trainees. The program helped to meet recruitment needs in these groups.

Seminars on Management and Administration (REA-23; 1/63)

The Rural Electrification Administration has set up a seminar to acquaint persons in managerial positions GS-12 and above with recent books and publications in the field of management and administration.

Work Measurement and Reporting System (REA-48; 12/63)

The Rural Electrification Administration is seeking to improve present work measurement and related reporting system. Sampling techniques will be used and procedural studies will be made of major activities.

Progress Reporting System (SCS-2; 7/1/64)

The Soil Conservation Service has developed a progress reporting system for its over 3,000 field locations. Accomplishments are summarized by ADP for each location and SCS organizational levels. Savings of \$500,000 from systems improvements have been reported (under accomplishments). Progress is continuing to get even greater benefits through use and application of the data from this system.



Organization of Work in Work Units (SCS-3; 12/61)

A Guide on Work Organization in Work Units was prepared and sent by the Soil Conservation Service to all States. The material has been widely adopted in the Service. One example of material in the Guide is on organization of files and records. Everything having to do with a farmer or rancher is filed in one folder. The folders are filed alphabetically in community folders -- which the conservationist takes with him when he visits a farmer. All the records are there, and new entries can be made on the spot. Several other useful methods, policies, and ideas are given in this Guide.

Engineering Training for Sub-Professional Engineering and Conservation Aids (SCS-4; 1959)

With the assumption of more watershed work by the Soil Conservation Service, experienced engineers are taken from the regular work. New engineers are hard to recruit. To fill the gap special training programs have been set up to train sub-professional employees with an aptitude for engineering work. Training courses are given at training centers. SCS is also operating a nationwide correspondence training course in Engineering Problems.

Reduction in Position Classification Desk-Audit Program (SCS-8; 12/61)

The Soil Conservation Service has reduced classification desk-audits from 25% across the board to 10% of the common type positions and 15% of all others. This was possible by special training and intensified application of standards -- particularly newer ones -- to positions in the service.

State Contributions to Soil and Water Conservation Work (SCS-23; 12/61)

The Soil Conservation Service is making known, through various means, to State legislative and executive officials the extent of soil and water conservation problems in the States. State and local agencies are urged to help in the solution and correction of conservation problems.

Retirement Policy Development (SCS-24; 1962)

The Soil Conservation Service is planning a program on retirement, including pre-retirement preparation.

Management Training (SCS-25; 1962)

Management training is given in Soil Conservation Service training centers. All such training cannot be done at the centers, and each State has been asked to take steps to assure that all supervisors receive needed management training. Washington staff assistance, as well as outside assistance will be used.

Coordination Within States of Various SCS Programs Under P. L. 566, P. L. 46, and P. L. 1021 (SCS-26; 12/61)

Better coordination of these various programs is sought to enable Soil Conservation Service technicians to make more efficient use of time and data.

Use of Conservation Needs Inventory (SCS-27; 12/61)

The Soil Conservation Service plans to make better use of the conservation needs inventory. Long and short term needs for, and distribution of, SCS resources will be appraised.

Land Use Planning (SCS-28; 12/61)

The Soil Conservation Service plans to adjust policies and activities in land use planning. Activities will be coordinated with those of other Federal, State, and local agencies. This should permit SCS to make full contribution to sound land and water use — particularly in urban areas. Service will be more effective.

River Basin Planning (SCS-30; 12/61)

The Soil Conservation Service seeks to make wider use of river basin planning to supplement and more sharply define watershed project needs and potentials. Data from river basin planning are exceedingly useful to project needs and establish priorities.

Need for Work Unit Clerks (SCS-31; 5/62)

This project is designed to determine where and how much clerical employment is needed in Soil Conservation Service work units. Changes in records and reports in work units have resulted from system changes.



Work Unit Activity Indicators (SCS-35; 12/62)

A study was undertaken in the Soil Conservation Service to locate work units where productivity might be lagging or too costly. Productivity is hard to measure since work units carry on a wide variety of activities and help establish a number of conservation measures on land. A new concept was applied to this problem in 1962 to study certain key items of work and costs. These are related to standards based on experience. The key items are called indicators. They are not productivity measurements, but are used to indicate places where some kind of administrative action might be called for. The Service hopes to detect any field location in need of administrative corrective action through use of validated indicator items.

Travel Studies (SCS-36; 12/62)

A travel study was conducted in Puerto Rico which related miles traveled to work performed. Travel patterns were analyzed, and ways were initiated to improve scheduling of travel. The application of the specific approach used in Puerto Rico's travel study has been extended to all States, and substantial improvements are anticipated.

Training in Elementary Principles of Management (SCS-39; 10/62)

The Soil Conservation Service has developed an 8-unit in-service correspondence course on the basic elements of management. It is intended as a first step to develop understanding in the fundamentals of management, including human motivation; human relations in supervisory situations; participation; communications; work organization; workload analysis; work improvement methods; and organization principles. The course is designed for persons who may occupy either supervisory or staff positions. SCS in-service correspondence courses have previously been successfully applied in engineering, biology, woodland, and cartography. Course work will be handled by State offices, thus dividing the work of teaching.

Study of Engineering in Watershed Planning Units (SCS-41; 10/63)

The Soil Conservation Service maintains six Engineering and Watershed Planning Units. They are geographically located to assist groups of States with difficult engineering work and



with the planning of watershed projects. State staffs of engineers and watershed specialists have gradually increased in number and experience. A review of the staffing of EWP units was initiated to determine if some reduction is possible.

Study of State Administrative Office Staffing (SCS-43; 10/63)

A review of the 50 State Soil Conservation Service Administrative Offices indicates that some savings in personnel may be possible. A special group of State representatives will meet in early 1964 to consider ways to make necessary changes.

Combination of Plant Technologists (SCS-44; 10/63)

The Soil Conservation Service may combine the work of agronomists with that of plant materials specialists in field work. Thus one man rather than two will be responsible for both technologies. This is expected to result in manpower savings. This has been studied during the past several years and a recent intensive review was made.

Employee Training and Development (SRS-4; 1960)

The Statistical Reporting Service plans to develop a staff of mathematical statisticians, programmers, systems analysts and other ADP specialists. Efforts are being made to improve the background of Agricultural statisticians through in-service training and orientation — to provide skills in new data collection and estimating methods, and in ADP. Training to improve management skills of supervisory statisticians has been given — including participation in correspondence courses.

Work Measurement Study (SRS-5; 11/62)

The Statistical Reporting Service is developing a work measurement system in offices managed by the Field Operations Division. Data from studies in field offices will help allocate resources and provide better use of manpower. A revised Daily Performance Record was given field trials in two States in 1963.

Weight Limitation on Packaging (AMS-6; 1/62)

The Agricultural Marketing Service initially sought to see if a change should be proposed in the 50-pound limitation on packaged units provided by P. L. 480. P. L. 87-803, enacted October 11, 1962, provides that flour and cornmeal may be put in packages of more than 50 pounds on request of the donee agency. The project is being continued to see if a similar authorization should be sought to use larger than 50-pound units in domestic distribution.

School Lunch Program Resources for Needier Schools (AMS-16; 1/62)

The Agricultural Marketing Service is seeking to make the school lunch program increasingly responsive to the needs of schools in local areas of poor economic conditions. Congress did not provide funds to implement Section 11 of the National School Lunch Act, as amended, for fiscal years 1963 or 1964. The Food Distribution Division, AMS, worked closely with each State that received an increased apportionment in school lunches in fiscal year 1963 to encourage the use of at least a portion of this increase for special assistance to needier schools. Additional assistance was extended by 22 State agencies during the 1963 fiscal year to 140,029 children in schools designated as especially needy. Also, 33 Area Office administered schools, with 7,123 students, were approved for special assistance in fiscal year 1963. Efforts to extend special assistance to needy schools have been continued and accelerated in fiscal year 1964 - especially in the Appalachian Region.

Administration of Food Distribution Program (AMS-17; 1/62)

The methods used to make direct distribution of food to needy families are being re-evaluated to improve administration and controls - as necessary and practicable. Particular emphasis is placed on procedures for the certification of eligibles.

Direct Receipts Study (AMS-23; 1/62)

Increased buying of fresh fruits and vegetables by large-scale retail organizations direct from shipping points has had an impact on terminal market sales. The Agricultural Marketing Service is studying changing distribution patterns to keep their programs, such as market news reporting, focused where greatest needs exist.



Review of Trust Fund Agreements (AMS-30; 1/62)

The Agricultural Marketing Service is planning to convert, when possible, individual-type agreements into master-type agreements for Federal-State inspection and grading services on agricultural commodities and products. Rice inspection work in Louisiana is now performed under the master-type agreement. Work is continuing on other cooperative agreements in Grain Division programs and for voluntary poultry grading and inspection. Study will be given to changing agreements for Federal-State inspection service on fresh fruits and vegetables. A separate agreement is now made with each State agency involved. Reduction in the number of single-type agreements will reduce time required to review and account for agreements.

Use of ADP in Contracting for Foods (AMS-60; 7/63)

The Agricultural Marketing Service will examine possible applications of ADP to food contracting operations. Poultry programs, which have some ADP applications, will be studied first. Further study will be given to other programs engaged in commodity contracting. The study is being performed in cooperation with ASCS — which has similar contracting programs.

Marketing Agreement and Order Operations Manual (AMS-61; 7/63)

The Fruit and Vegetable Division in the Agricultural Marketing Service will consolidate into one document its policy concepts and operating procedures. Sections of the manual will cover background information, promulgation of programs, administration of operating programs, parity, cooperation with other agencies, and termination. A revised draft has been prepared and distributed for review and comment.

Surety Bonds for Milk Market Administrators (AMS-75; 5/63)

The Agricultural Marketing Service may adopt a blanket-type bond to cover all market administrators and their employees — in lieu of individual bonds. The blanket-type bond may present increased protection without added cost. Much of the paperwork now needed with individual bonds would be eliminated.



Uniform Factors for Milk Volume and Weight Conversions (AMS-77; 1/61)

The Agricultural Marketing Service is looking at the feasibility of using uniform factors to convert volumes of fluid milk products to pound equivalents. Various tables of conversion factors are now used in order verification work by market administrators. Thirteen markets in representative areas of the country participated in the first phase of the project. Data has been processed on ADP. A study of laboratory procedures has been completed.

Uniform Programs for Marketing Orders (AMS-80; 1/63)

This project was started as a spot survey by the Agricultural Marketing Service on the need for a uniform marketing service and check-weighing and check-testing program. It was extended to include a survey of the check-weighing and check-testing programs in all market administrators' offices, in an effort to promote increased uniformity and efficiency. A study group, of six market administrators, was formed to study costs and charges for farm bulk tank calibrations — where such services are performed by the market administrator. The group plans to develop guides for more uniform charges for calibration services.

Tobacco Demonstration Program (AMS-88; 6/62)

The Agricultural Marketing Service Tobacco Division has a project to review and analyze its tobacco demonstration program to secure economies in demonstration work. The program has been reoriented in the cured tobacco area to put more emphasis on educational work explaining the grade, standards, and elements of quality for tobacco.

Packaging Study (AMS-108; 12/63)

This Agricultural Marketing Service project involves determination on suitability of using glass containers for distribution of peanut butter to needy persons. Two-pound cans have been used previously. Testing of glass-packed peanut butter has been conducted, and indications to date are that such peanut butter can be satisfactorily shipped, stored, and distributed. Savings of .00617 cents per pound by using glass rather than tin cans, or \$203,610 on the approximately 33 million pounds distributed annually, may be possible.

Shipments of Food Stamp Coupons (AMS-109; 1/63)

The Agricultural Marketing Service is studying the feasibility of making truck rather than registered parcel post mail shipments of food coupons to individual pilot projects. Delivery schedules, routing and security measures available, and cost advantages will be studied. A \$700 saving was made in the pilot shipment.

Food Buying Guide for Type A School Lunches (AMS-114; 1/62)

The purpose of this publication is to provide participating schools with information to make better use of school lunch monies through more economical food purchases. The booklet updates a previous publication and includes data on additional items — including "special purchase" foods, new forms of familiar foods; "instant" potatoes, and low moisture fruits.

Use of ADP in Meat Grading (AMS-115; 12/63)

The feasibility of using ADP in the Meat Grading function is being studied by the Agricultural Marketing Service. Faster reporting and billing and lower costs may result. This proposal has been submitted to the Statistical Reporting Service for evaluation and costing.

Licensing of Brokers (CEA-1; 1/63)

The Department has asked the Congress to authorize licensing of brokerage firms by the Commodity Exchange Authority without issuing certificates of registration for each licensee, its branch offices and agents. If this is done, the work to process about 450 applications and issue registration certificates and duplicates will be reduced.

Method of Extending Price Grain Support (ASCS-4; 12/61)

The Agricultural Stabilization and Conservation Service established a committee to study alternative means of offering price support to grain producers. The committee completed its work and made recommendations to the Administrator, ASCS. Implementation of a new program has awaited certain legal decisions and enactment of the new farm bill.



Washington - Field Research Relationships (ERS-1; 7/62)

The Economic Research Service is reviewing Washington - field research relationships and organization, to direct cooperative research more toward regional and national problems. Improved use of regional and technical committees has been made in Federal-State cooperative research in economics. State Experiment Stations are giving more recognition to the importance of conduct of research on economic problems broader in scope than individual States.

Improving Economic Research Line Project Pattern (ERS-2; 7/62)

The Economic Research Service is reviewing economic research in the line project system to focus on significant economic problem areas and to avoid fragmentation. The Farm Production Economics Division now has 10 projects to cover the work formerly done under 36 projects. Effective cooperation in regional studies is facilitated by use of ERS projects approaching more directly regional problems.

Standard Arrangements for Loan Dockets (FHA-34; 1/63)

The Farmers Home Administration plans to set up a standard arrangement for soil and water association loan dockets to speed up service to the public. Loan docket preparation, assembly and review will be more efficient.

Instructions for Servicing Soil and Water Association Loans (FHA-35; 1/63)

The complexities of the soil and water association loan program make it essential that field personnel be provided clear, concise, and detailed guidance for loan servicing. This project by the Farmers Home Administration will result in better instructions and should result in better loan supervision.

Improved Methods of Appraising Real Estate (FHA-38; 10/63)

Instructions and forms will be revised by the Farmers Home Administration to improve the system for real estate appraisal. Training will also be provided.

Servicing Real Estate Security (FHA-39; 12/62)

The Farmers Home Administration plans to amend instructions on servicing and liquidation of real estate security property. Broader authorizations will be delegated to field personnel to approve leases,



subordinations, and releases of real estate security. The bases for partial releases and subordinations of real estate security will be revised and broadened. More flexibility in liquidation of real estate security property will be given. The revised instructions should improve and speed up handling of legal transactions by borrowers and will simplify the servicing of real estate security.

Changes in Policies and Instructions for Taking and Servicing Chattel Security (FHA-50; 12/63)

State Legislatures in 28 States have adopted the Uniform Commercial Code which pertains to the taking and servicing of chattel security instruments. The Farmers Home Administration will give special assistance to the States affected in the revision of their security instruments and State instructions. Assistance will be provided through a series of meetings with State staffs and through correspondence. Substantial savings in time should be achieved by FHA — which can be devoted to improving supervisory services. It is estimated that time involved in taking and keeping current the security instruments obtained in connection with operating loans will be reduced by 25 percent.

Use of Operating Loans in the Drive on Rural Poverty (FHA-51; 11/63)

The Farmers Home Administration plans to intensify efforts in dealing with poverty conditions of small farmers — through the use of the operating loan authority. Meetings with field staffs, individual contacts, and stepped up public information on services available to farm families are planned.

Procedures on Paid in Full Real Estate Loans (FHA-52; 1/64)

The Farmers Home Administration is planning to combine into one set three procedures for handling direct and insured paid-in-full real estate loans. The procedures are used frequently in each of the 1,500 county FHA offices. Considerable personnel time should be saved by improving these instructions.

Improvements in Farm and Home Records (FHA-53; 1/64)

The Farm Family Record Book, Five Year Inventory Record, The Farm and Home Plan Form, and Farmers Home Administration instructions on use of these forms will be revised. Updating and streamlining these forms and procedures will make for better use by farm families and will save time of FHA staffs.

Crop Insurance Information Materials for Other USDA Agencies  
(FCIC-20; 1963)

The Federal Crop Insurance Corporation has prepared easy to read factual packets of information about crop insurance programs. Distribution of these packets to the Federal Extension Service and the Farmers Home Administration was made in 1963. Packets were also distributed to agricultural schools.

The Impact of Federal Crop Insurance on the Agricultural Economy in Certain Areas (FCIC-24; 1963)

This study, in cooperation with the Economic Research Service, is to determine the impact of Federal Crop Insurance Programs in special areas on: (1) the financial condition and standing of farmers who have Federal Crop Insurance in comparison with farmers who do not have such insurance — especially in years of heavy crop losses; (2) the effect on rural area businesses and local governments under various crop production conditions and degrees of FCIC participation; and (3) the effect on other Federal programs such as emergency credit programs. High production costs and capital investments in modern farming and the heavy dependence on credit have made farmers increasingly vulnerable in the event of crop losses. This study is an attempt to determine to what extent an expanded crop insurance program will stabilize the economy of rural areas.

Feasibility of Insuring Forests (FCIC-25; 1964)

This Federal Crop Insurance Corporation study, in cooperation with the Forest Service, is to determine the feasibility of offering all risk insurance on merchandisable timber, immature forests, standing timber, etc.

Market Development Program (FAS-9; 7/63)

The Foreign Agricultural Service is evaluating market development activities by commodities to increase efficiency and effectiveness in the program.

Compliance on Use of P. L. 480 Commodities (FAS-11; 7/63)

The Foreign Agricultural Service plans to improve P. L. 480 program reporting by Agricultural Attaches to reflect ultimate receipt and use of commodities. A records control system will be provided in Washington for each program. Procedures will be established to improve coordination between attaches and the Washington staff.



Planning for Market Development Program (FAS-13; 1/63)

The Foreign Agricultural Service plans to publish a standard outline for use by cooperators in preparing and submitting their annual plan of work. Uniform procedures for cooperators will be developed for preparing resource needs to support annual work plans. This will provide a simple means for agreement on programs between USDA commodity groups and cooperators.

Acquisition of Foreign Publications (NAL-15; 7/62)

The National Agricultural Library plans to expand its foreign holdings. Foreign agricultural publications are often not listed in bibliographical tools nor are they available through commercial channels or established exchange arrangements. Several types of actions have been initiated to increase acquisition of foreign publications.

Guide on Distribution Transformer Loading (REA-44; 1/62)

The Rural Electrification Administration plans to issue an "Application Guide for Transformers". This will serve borrowers as an operational guide in optimum loading of distribution transformers. Growth projections in systems planning show that future expenditures in transformers and services will equal or exceed all other costs for distribution plants. Estimates are that reasonably close sizing of transformers on a planned program basis would save 10 to 15 percent of annual purchase cost for transformers. Savings in system energy losses and operation costs, improved service reliability, and better consumer relations and load growth programs would also result. This guide will primarily cover transformers serving only one consumer.

Power Supply Surveys (REA-45; 1/63)

The Rural Electrification Administration is planning to develop a staffing and procedural basis for the conduct of independent surveys. These surveys will be for long-term solutions to the problems of providing REA electric distribution borrowers with ample supplies of low-cost wholesale power. They fully explore alternatives for meeting wholesale power needs. Emphasis will be on maximum utilization of existing power sources without resort to the use of Government loan funds.



Reduction of Field Engineering Activities (REA-46; 6/63)

The Rural Electrification Administration is seeking to modify field engineering activities and staffing to take advantage of the opportunities REA electric distribution borrowers have of securing engineering services from sources other than REA.

Criteria for G&T Loan Applications (REA-47; 8/63)

The objective of this Rural Electrification Administration study is to establish specific criteria for review of Generation and Transmission loan applications. The basis of cost estimates required by power cost studies is included.

Policy on Required Borrowers Insurance Coverage (REA-49; 1/63)

The Rural Electrification Administration plans to review and appraise existing REA insurance policy. This will be on required coverage for fire, fidelity and automobile physical damage for electric and telephone borrowers.

Crop and Livestock Estimating (SRS-1; 1961)

The Statistical Reporting Service is placing an increasing number of States on an operating basis for the expanded enumerative survey program involving agricultural estimates. During 1962, 20 States were on an operating basis and 10 on a pilot basis. In fiscal year 1963, this rose to 24 and 11, respectively. The survey data is processed by ADP. Emphasis on optimum location of part-time enumerators to reduce mileage and per diem was an important factor in a \$2.00 reduction in per segment collection costs between June 1962 and June 1963 — for an estimated saving of \$20,000. A trial was made to reduce enumerators' call-backs to contact farmers, as well as the number of objective yield post-harvest samples. The effect of these reductions on statistical reliability of the data will be studied preparatory to setting up procedures for other surveys.

- ✓ Coordination of Scientific Information Activities (NAL-17; 6/62)  
The National Agricultural Library has taken several steps to improve coordination of scientific information activities in the Department. Recent actions include preparation of position papers on "Standard for Descriptive Cataloging of Technical Reports", and "Central Bibliographic Control and Public Availability of Unclassified Reports." The Director, NAL, is the Department's representative on the Committee on Scientific Information.

Uniform Accounting System for Stockyard Companies (AMS-19; 9/62)

A uniform system for the maintenance of accounts and records in stockyards is being developed by the Agricultural Marketing Service. Trade associations and representative stockyard companies are cooperating in this effort. The system will assist in the development and analysis of rate proposals, in reducing special reporting, and in providing useful statistical data. The results should be a help to the stockyard companies, rate payers, and the Department.

New Instruments in Cotton Classing (AMS-21; 1/62)

The Agricultural Marketing Service has a project to assure that new instruments used as classing aids in the cotton standardization program, are precise and accurate. A cotton Trashmeter used in grade standards, is being evaluated. A new type of light source with an optical system is used in the outlook Trashmeter for greater precision, stability and economy of operation. Work is also being directed toward the development of a method for accurate calibration of instruments. Completion of these studies is expected to result in more accurate and consistent evaluation techniques. The benefits are, more accurate reproduction of grade standards, and more accurate and consistent measurement by classers.

Improved Techniques for Peanut Inspection (AMS-22; 1/62)

Use of mechanical equipment is being made in the peanut producing areas to improve peanut inspection operations. Full development of this equipment will make it possible to sample more peanuts and improve accuracy on the 350,000 gradings made each year. An experimental machine for cleaning samples of peanuts has also been tested, and tests have been run on electric moisture meters.

Inspection Procedures Studied (AMS-24; 1/62)

Inspection procedures are being studied in the Agricultural Marketing Service on a limited number of food products, subject to Federal inspection. The study will provide a means for more line control as the product is being packed. Acceptance criteria for in-plant inspections was field tested last season and the results are being studied.



Produce Market Reporting (AMS-26; 1/62)

The Agricultural Marketing Service is revising the format for weekly Reports of Fruits and Vegetables. The new format will increase commodity coverage. These reports will show combined rail and truck receipts of certain fruits and vegetables, for 41 cities. The report will provide producers with information for use in making better product distribution.

Improved Administrative Management (AMS-28; 7/61)

A survey of administrative work in the Grain Division has already produced benefits. Procedures have been improved in cost distribution systems, billings, collections, obligation records, and paperwork flow. Several unnecessary reports and certificates were eliminated. Savings in manpower involved 6 man-years in fiscal year 1963, and savings of 7.4 man-years are estimated for 1964.

Handbook on Section 32 Programs (AMS-29; 1/62)

The Agricultural Marketing Service is writing a handbook containing a brief history and background of section 32 programs; a statement on general policies governing the use of section 32 funds; and discusses the relationship of section 32 to other Agriculture programs. This handbook will be used by employees assigned to section 32 programs.

New Property Accountability System (AMS-33; 1/62)

A study is being made to determine the feasibility of changing from an item to a composite system of maintaining property records in Washington offices of the Agricultural Marketing Service. The proposed system will use ADP equipment to maintain records and prepare reports. Through use of ADP, property management data will be available on a current basis, rather than once a year. Physical inventorying of property, daily record keeping, and inventory reconciliations will also be simplified.

Statistical Techniques for Food Inspection, Grading and Standardization (AMS-37; 1/62)

A project is underway in the Agricultural Marketing Service to develop (1) better grade standards, (2) more comparability with

control systems being used in the industry, (3) better inspection and grading services, and (4) possible economies in providing services — to the extent that the over-sampling and over-inspection are found. Appropriate statistical and mathematical techniques will be used where possible in picking samples, evaluation of the condition of the product, classifying defects, and the condition of packaging materials.

Fee Sharing Procedures Reviewed (AMS-38; 1/62)

A system is being developed in the Agricultural Marketing Service for the evaluation and amendment of fee schedules for fee supported inspection and grading activities. Fee review procedures should help determine appropriate fees and result in more equitable financing arrangements with the states.

System for Depositing Cash (AMS-58; 12/62)

A project is underway to improve and simplify procedures concerned with the deposit of funds received from the sale and issuance of food stamp coupons in the State of Pennsylvania. Under new procedures, deposits are being accumulated in the area Administrative Division and deposited monthly, rather than daily. To date, the number of Certificates of Deposit for Checking Account, (SF-209), has been cut from 3000 to 88 monthly. This has simplified handling by the banks, by the AMS area office, by the Federal Reserve Bank, and the Treasury. The Agricultural Marketing Service is proposing that this procedure be used in other areas.

Electronic Voice Recording of Classification Data (AMS-63; 7/63)

The Agricultural Marketing Service is studying the feasibility of cotton classers recording data by voice transcription devices rather than calling them to a recording clerk. The project has been tried in two offices and several advantages and disadvantages have been reported to date. The study will be continued.

Simplified Method of Obtaining Crop Quality Information (AMS-72; 7/61)

A two year study was conducted in the Agricultural Marketing Service to find a method of sampling available data on crop



quality. On July 1, 1963, a new procedure was initiated whereby quality reports will be based on data from a sample of reports — rather than from 100 per cent of the "in" certificates issued at all markets during the year. The change will cut the amount of data tabulated. Further study is being made of the uses of source data automation techniques. Savings of 12,500 man hours are expected through use of the simplified sampling method, and additional benefits are anticipated through use of SDA techniques.

Milk Handlers Centralized Accounting Records (AMS-82; 3/63)

A study group reviewed the effect of automatic data processing used in keeping centralized accounting records of milk handlers and the accounting and audit techniques pertaining to them. The report suggesting that ADP devices are adaptable to record keeping needs of handlers under Federal milk orders.

Intensified Information Support (AMS-84; 1/62)

A program to increase information support for AMS programs has been initiated. Video taping of certain AMS programs through use of a mobile television unit has resulted in savings of \$22,400. In another project, material was obtained from a display in the Administration Building Patio to furnish stations with program material for weekly showings for almost six months. It was done at a cost of about \$30,000, while motion picture costs would have been nearly \$150,000 for the same job. Video tape has the advantage that it can be viewed as soon as it is recorded. There is no need to wait for film development to detect errors, bad composition, and faulty lighting. If the scene is not satisfactory it can be re-done immediately without recalling personnel, reassembling props and background, and repeating other time consuming chores.

U. S. Warehouse Act Branch Financial Statement Analysis and Control (AMS-97; 1/64)

The Agricultural Marketing Service is studying the possibility of reducing the frequency of financial statements from licensed warehouses. An improved system for analyzing financial statements has been placed in effect. Further study is being made and it is believed that 500 fewer reports may be needed yearly.



Revised Numerical Filing System (AMS-98; 1/64)

The possibility of revising the method for filing records on nearly 1800 licensed warehouses is being studied. The proposed method would use the last 2 digits of the warehouse license number rather than a serial sequence. Improved use of filing cabinets and less misfiling will result.

Improvements in Warehousemen's Records (AMS-101; 4/63)

Examinations are being made of warehouse records where they are found to be inadequate. Examiners trained in records management counsel and assist warehousemen in modifying records. Modern and easy to maintain prototype forms are provided for use or adaptation by the warehouseman.

Instruments for Measuring the Internal Quality of Commodities (AMS-118; 12/63)

A number of devices have been developed by the Instrumentation Research Laboratory of the Agricultural Marketing Service which pass light through an item to obtain a color reading on internal parts. This color is useful in detecting discoloration in the interior due to diseases such as hollow-heart of potatoes, water core of apples, and internal breakdown of apples and pears. The instrument is available commercially and is being used by research workers in various parts of the world. These instruments show great promise to improve the quality of commodities and to save losses from certain kinds of diseases.

A Mechanical Thumb (AMS-119; 12/60)

An instrument has been developed to measure the firmness of fruits and vegetables. It is a refinement of a pressure tester developed in the Department years ago. It has the advantage over the older pressure testers of not destroying the fruit by punching holes in it, and the same fruit can be checked from month to month in storage in order to follow the softening rate. This instrument is expected to receive wide use by research workers and by fresh fruit graders who need to know the firmness of fruits and vegetables. A number of these instruments have been purchased by the Fruit and Vegetable Division, by research workers at State Experiment Stations, and by fruit companies.

Accurate Moisture Determination on Grain (AMS-120; 4/63)

A new method of testing the moisture content of grain has been developed. A direct spectrophotometric measurement is made on a ground up sample to indicate precise amount of moisture. The technique is being applied to wheat, wheat flour and soybeans, and should be useful for all grains and seeds. Study is continuing on the project.

Standardization of Procedures in Finance Offices (ARS-6; 10/62)

A study is being made to determine ways of standardizing the examination of vouchers, different forms, methods of assignment, degree of examination as well as other jobs now performed with varying methods in five principal Agricultural Research Service finance offices. Standardization will contribute to management effectiveness and reduce costs.

Accounting System Survey (ARS-15; 12/63)

The Agricultural Research Service is surveying financial record-keeping and reporting with the objective of converting to a single system. A standard system for producing financial data is expected to improve program administration and simplify budgetary control.

Additional Applications for ADP (ASCS-6; 9/62)

The Agricultural Stabilization and Conservation Service is studying the feasibility of using automatic data processing in a number of program operations. Applications are projected, or completed, in accounting for wool and mohair drafts, feed grain drafts, and Payment in Kind certificates, wheat stabilization certificates and drafts, and Agricultural Conservation Program drafts. Further use of ADP is being made in the preparation of grain loan and purchase agreement drafts and storage facility loan drafts.

Optical Scanning (ASCS-17; 10/61)

The Agricultural Stabilization and Conservation Service is studying the feasibility of converting source documents to computer input with optical scanning equipment. Optical scanners were tested in the New Orleans Commodity Office in 1963. Full use of scanners, to reduce punching of input data, is being planned for 1964.



Improving Handbook Procedures For State and County Offices  
(ASCS-28; 9/62)

Work is underway to rewrite all handbooks used by ASCS State and county offices. To date over 624 pages have been cut from national office issuances. Training to improve procedures writing is being given in the national office and in State offices.

Accounting to be Automated (ASCS-29; 1/64)

The Agricultural Stabilization and Conservation Service is studying the possibility of converting several accounting operations presently being performed on electric accounting equipment to computers. If this conversion is made, several EAM operators and some equipment will be released. Savings of \$2,000 per month could result.

Identifying Management Improvements (ASCS-36; 2/64)

A procedure is to be established in the Agricultural Stabilization and Conservation Service for identifying management improvements, including cost benefits, as they occur. The Operations Analysis Staff will be the focal point for gathering information. The Budget Division will be responsible for developing costs or cost benefits accruing from the management improvement effort.

Control Card System to be Automated (CEA-2; 5/63)

The Commodity Exchange Authority is studying the feasibility of converting 75,000 control cards to automatic data processing. These cards contain codes and tabulation numbers which identify futures commission merchants and large traders who report to CEA.

New Technique for Conducting Trade Practice Investigations  
(CEA-3; 4/63)

Because of increased workload accompanying the rapid growth in volume of trading on the contract markets, CEA is attempting to develop new methods for the conduct of investigations of trade practices. In Chicago, the Board of Trade now uses a clearing house system which entails the making of punch cards to cover each transaction. The needed data can be transferred mechanically from these cards to cards utilized by CEA — which should result in savings of time needed to collect data on trading.



Research Documentation, Planning, and Coordination (CSRS-1; 1/61)

The Cooperative State Research Service has a catalogue of current Federal-grant and non-Federally supported research projects. A brief abstract is prepared for each research project to show the title, objectives, description of work, project number, and State conducting the research. The project is complete except for the distribution of the non-Federal project abstracts to the State Agricultural Experiment Stations and Science Information Exchange.

Research Documentation, Planning, and Coordination (CSRS-2; 1/63)

The Cooperative State Research Service, in cooperation with all research agencies of the Department, is developing a better system for the coordination of information on current research. Abstracts have been received from the Central Projects Office and classified under the CSRS system. As soon as reproduction is complete, the sets of Federal project abstracts will be sent to all State Agricultural Experiment Stations to complete the file on research within the United States. Federal research agencies will be furnished with files of the Federal-grant and State-supported project abstracts. Transmittal of the Federal line projects to the Science Information Exchange will complete their file on agricultural research.

Financial Record Keeping (CSRS-3; 7/62)

A punch card system is being developed in the SRS Data Processing unit to record financial and other data on Federal-grant projects. Periodic listings will be made to provide updated financial information. The system will also provide special data required for regular and special reports.

Information Retrieval (CSRS-4; 6/63)

A project has been initiated, involving cooperation with other Department agencies to develop an Information Storage and Retrieval System for agricultural research. The system will use electronic data processing, and will be pursued when all state and Federal research has been documented under a single system.

Convert Manual and Punched Card System to EDP (FHA-26; 9/60)

A study was made of the possibility of doing some of the manual and punch card operations of the National Finance Office on

electronic data processing equipment. Systems changes using punch card equipment are now being made. Annual costs will be reduced by \$13,000 a year and the time taken to issue checks will be cut by about 4 days.

Program Reports Reviewed (FHA-44; 1/63)

A program review committee was set up in the Farmers Home Administration to provide an analysis of recurring reports. This committee will make recommendations to improve reports where possible, change their frequency, increase or decrease selective reports, combine reports, and explore further uses of ADP equipment.

Intensive Review of Area Guide System (FHA-48; 1/64)

A National Field Committee will make a review of the area "guide system", which is a detailed card record of each loan. The project objectives are to simplify the system where possible, adapt the record to new or revised program authorities, and identify the types of data which can be transferred from county offices to the National Finance Office for automatic processing.

Review of Personnel Instructions (FHA-54; 12/63)

All instructions written in the Personnel Division and sent to personnel technicians in the State and Finance Offices will be reviewed in terms of the New Federal Personnel Manual, the new Department Personnel Manual, and the MODE Personnel Procedures Handbook. New or modified agency-wide personnel processing systems and practices will be devised, duplicate materials will be eliminated, and correct references included in the new procedures.

Review of Data Gathering Activities (ERS-3; 6/61)

A survey has revealed that a variety of economic models and techniques are being used in the Economic Research Service. Seminars are being established to assure that ideas and methods developed in one division or branch find application in other branches or divisions. Potential uses of automatic data processing are also being studied.



Review of Research Programs; (ERS-4; 6/61)

The Economic Research Service is conducting a review of research programs to insure their vitality and efficiency. A position of Research Advisor to the Administrator was established and filled by an experienced agricultural economist. Research budgets, programs, and personnel are reviewed quarterly to assure the most effective utilization of manpower. Each professional vacancy must be justified and approved by the Administrator before being filled.

Centralized Premium Collection Effort (FCIC-18; 6/63)

An improved method for the collection of crop insurance premiums from insured farmers is under study in FCIC. Procedures have been written to consolidate the crop insurance nation-wide premium collection function in the Kansas City Branch Office. Premium billings will be made on automatic data processing equipment. Follow-up collection letters will be written on high-speed, automatic typewriters. Direct mailing of premium bills and collection letters to insured farmers will be made from the Branch Office. Current collection premium costs of approximately \$100,000 will be materially reduced and the number of past-due accounts should also be reduced. The new system will relieve the ASCS county offices of a volume of collection work which they currently perform for the Corporation.

Crop Insurance by Mail (FCIC-19)

A study conducted in selected counties by the Federal Crop Insurance Corporation indicated that more farmers can be reached, at less cost, by mail than by other methods. Direct mailing devices result in better understanding of crop insurance and stimulates interest in the program. FCIC has entered into an agreement with ASCS to address envelopes from listings of farmers in each county. The envelopes are then sent to the FCIC, Kansas City Branch Office where they will be stuffed by automatic equipment and mailed directly to the farmers. The cost of mailing will be reduced through use of this reimbursable agreement. ASCS will address envelopes for \$.005 instead of the current average of \$.035.

ADP Used in Insurance Program (FCIC-21)

A study to determine the feasibility of using electronic computers to calculate insurance premiums and amounts of insurance liability is under study in the Federal Crop Insurance Corporation. These computations are now being done by hand. Under the new system insurers will be provided simplified summaries, setting forth the



premiums and liabilities in a clear and concise manner. These summaries will be made on automatic data processing equipment and issued to insurers on yearly basis. This mechanical computation and printing of data will result in savings in clerical time and will release staff to handle the increased volume of insurance business. Mechanical computation and printing will provide greater accuracy, permit much faster handling of the acreage reports, and provide better service to the farmers.

Use of ADP Equipment for the Audit of Crop Insurance Applications (FCIC-22; 6/63)

The Federal Crop Insurance Corporation is developing a faster and more accurate method of auditing information submitted by farmers on applications for crop insurance. The new system will use ADP equipment in the audit of insurance applications and acreage reports, the maintenance of accounts receivable, and the billing of premiums due. This will result in earlier action on applications and better relations with the farmer.

Revision of Administrative Handbook (FES-4; 6/63)

One of the findings of the 1961 Federal Extension Service audit program was that State Extension Services were not properly maintaining the FES Administrative Handbook for Cooperative Extension Work. FES has taken certain actions to improve the maintenance of this Handbook. A control sheet to record handbook distribution has been prepared; a flyer explaining the Handbook was distributed; and a page control list was designed.

Use of ADP for Attache Reports (FAS-4; 1/61)

The Foreign Agricultural Service is exploring methods of storing, retrieving, and using attache reports to better advantage, through the use of automatic data processing equipment. More than 5,000 Foreign Agricultural Marketing reports are received yearly from Agricultural Attache offices, at 61 posts abroad. Use of ADP should make it possible to store and produce foreign trade data quickly, provide analysis in depth, and coordinate the findings of foreign trade specialists.

Records Management Survey (FAS-6; 1/64)

The Foreign Agricultural Service is writing a Records Disposition Handbook, which will provide procedures and guidelines for records retention and retirement. Records Management at foreign posts will be surveyed, and the recommendations developed from this survey will be published. Standards established by the survey should result in more effective and economical operations at each overseas post.

Filing Systems (FAS-7; 1/64)

The classification of current files is being reviewed and a standard filing system is under development in the Foreign Agricultural Service. This will provide for the current maintenance of records and will promote increased effectiveness.

Simplification of Travel Procedures (FAS-8; 1/64)

The Foreign Agricultural Service is seeking to reduce processing costs by simplification of travel regulations and administrative procedures used for issuance and validation of official passports.

Fire Weather Telemetering System (FS-6; 7/61)

The Forest Service is developing a system for the automatic observation of fire weather data at unmanned field sites and the telemetering of such data to collection points for automatic print-out in plain language. Two trial systems of one central station and five observation stations were set up in the field early in fiscal year 1964. Performance and cost data obtained from these installations will help determine the feasibility of automatic fire weather collection systems. If successful, such equipment will extend the reliability of fire weather data in those areas where data collection is restricted to manned stations.

Increased Delegations of Authority to Field Offices (FS-23; 7/62)

The Forest Service has been evaluating delegations of authority to the field from the Department and agency level. Delegations in such areas as contracting, purchasing, personnel management, travel, and motor equipment management have substantially reduced paper detail and have speeded up action in the field. A survey was also made of the directive system and delegations to the field level. A combination of maximum delegation, with a well organized directive system, permits field employees to give the public quick, meaningful answers. To date, authority to certify vouchers for payment has been re-delegated to about 140 unit offices from ten central regional locations. Certifications will eliminate the flow and handling of large volumes of paper. Voucher examination work at regional offices will no longer be required and there will be no increase of work in the unit offices. Savings will be \$175,000 annually.



Communication Requirement Study (FS-29; 10/62)

A study is being made in the Forest Service to determine what constitutes an adequate communications network for a single National Forest. The study should provide a basis for equipping an area adequately for normal administrative operations and fire control work and prevent under, or over development of expensive communications facilities.

Electronic Fire Scanning (FS-30; 7/62)

Fire detection research is being done at the Northern Forest Fire Laboratory at Missoula, Montana, under Department of Defense support. To date, research has shown that infrared scanners can rapidly and accurately map forest fires day or night and through dense smoke. The Forest Service plans to speed up the application of this new technique by starting a special development program pointed towards the use of air-borne infrared scanners in fire control operations. Tests were made by the Forest Fire Laboratory at Missoula during the 1963 fire season and will be followed by a development program in the six western Regions in 1964, with eventual service-wide application.

Management Information System (FS-31; 1/64)

The Forest Service has identified a need to provide management data more efficiently, both internally and externally. A pilot project was started on January 1, 1964, which will determine management needs and recommend an approach for Service-wide use. Such a system will be designed to improve methods and procedures for handling critical management problems, and improve the quality of controls. A 10% increase in manpower productivity is forecast.

Road Construction Cost Accounting System (FS-32; 7/63)

The Forest Service plans to install a cost accounting procedure for road construction projects based on the total forest road net concept - rather than the one based on individual roads, branches, sections, and spurs. This change in cost accounting and reporting methods will result in an estimated annual savings of \$500,000.

Sampling Techniques to Obtain Management Data (FS-33; 1/64)

The Forest Service is developing methods to obtain needed financial management data through sampling techniques, rather than through the maintenance of individual cost records for 15,000 pieces of



motor fleet equipment. The new procedure will result in estimated savings of \$300,000 annually.

Time Charging System (FS-34; 7/63)

Present accounting procedures in the Forest Service require management personnel to charge their time, as worked, to specific projects, functions, and appropriations. This is a tedious and time consuming job. Procedures are presently being revised to allow time to be charged a common suspense account. Costs will be distributed at the end of the year to the proper accounts on the basis of work plans and analysis. Savings are estimated at \$400,000 annually.

Development of Instructions and Guidelines for Telephone Borrowers Operating Reports (REA-1; 1/63)

Rural Electrification Administration is developing guidelines for the review and analysis of borrowers operating reports by area offices. The plan is to establish minimum standard records to be kept by area offices, eliminate numerous records and graphs, and adapt forms to reduce the analyst's time in evaluating semi-annual loan security reports. Training will be conducted to the area operations personnel with the new instructions.

Specifications for Educational TV (REA-6; 1/62)

Rural Electrification Administration has been authorized by the Congress to make loans for the construction of educational television facilities. Accordingly, specifications for materials, accessory equipment, and construction techniques are being developed. Evaluation of testing techniques suitable for acceptance tests on educational TV facilities will also be made.

Revision of the Minimum Audit Requirements (REA-16; 8/62)

The Rural Electrification Administration started a project to restate and clarify minimum standards for CPA audits of borrowers books and records. The adequacy and accuracy of audits will be increased as a result of clearer guidelines.

Revision and Updating of Internal Accounting Manual (REA-18; 5/1/63)

A publication is being prepared to provide guidance on the uses of data processing methods in REA electric borrowers operations.

This will assist REA borrowers in evaluations of the feasibility of using ADP and on equipment evaluation and selection.

Emergency Generating Units (REA-27; 1/63)

Under emergency conditions, the Rural Electrification Administration has been called on to provide information as to the location and description of small mobile generating units. REA will establish a central clearing house for information as to the location of such equipment. A form has been developed for securing this information and a request will be forwarded to the Bureau of the Budget for approval.

Streamlining Insurance Activities (REA-36; 9/62)

It is anticipated that insurance associations and bureaus can establish a uniform set of policies and forms satisfactory to REA that will be used by all carriers writing coverage for REA borrowers. A master file maintained by all carriers, and REA, would eliminate the need for duplicate policies. Under such a plan, certification by borrowers will be submitted in lieu of duplicate policies, thus the purchase and renewal of insurance becomes a management function of the borrower. This would result in a reduction in time needed for the examination of policies, since they would be the same for all companies.

Telephone Loan Recommendations (REA-41; 3/63)

The Rural Electrification Administration is reviewing existing telephone loan recommendations in loan dockets - to streamline, standardize, and eliminate any unnecessary data now required in loan recommendation memoranda.

Processing Applications for Loans (REA-40; 3/63)

A comprehensive review is being made of existing policies and procedures for the processing of loan applications from electric distribution borrowers. The possibility of further streamlining, and elimination of any unnecessary procedures, is being explored.

Revision of Power Requirements (REA-43; 11/62)

The Rural Electrification Administration initiated a study to establish procedures whereby complete power requirements



and irrigation studies in the field are made for all borrowers on a two-year basis. This will provide current data for other program requirements.

Research and Development in Statistics (SRS-2;)

A program of applied reasearch, designed to strengthen and improve the methods used to collect agricultural statistics, is being conducted. This improvement is expected to increase the precision and reliability of estimates. Research is directed to improvement of all aspects of survey design, including questionnaire and form design, universe definition and sampling frame construction, sample design and estimates, enumeration techniques, quality checks, editing procedures, methods of processing data, and the post-analyses of the survey.

Engineering Evaluation of Watershed Protection Measures (SCS-5; 1962)

The Soil Conservation Service is cooperating with the Agricultural Research Service to develop a mathematical model and an electronic computer program, for use in evaluating the effects of any given combination of watershed measures on local and downstream floods. This project will provide a means for improving the design of watershed works.

Water Surface Profiles (SCS-6;)

The Soil Conservation Service, in cooperation with the U.S. Weather Bureau, is collection and analyzing rainfall data to determine water surface profiles for the United States, Puerto Rico, and the Virgin Islands. The data will be valuable in making hydrologic analyses of specific watersheds.

Watershed Activity Records (SCS-10; 11/61)

The Soil Conservation Service has been reviewing all watershed records to improve distribution procedures, a systematic arrangement for cataloging, identifying record copies, and set up periodic disposal schedules. This is being done as part of the overall records management program.

Forms Disposal (SCS-12; 12/61)

The Soil Conservation Service is conducting a study to determine if a standard agriculture conservation form can be disposed of at the end of the program year in which the work is completed, instead of the present 5-year retention schedule. An average of 475,000 documents of this type are created yearly, and a 4-year reduction in retention would result in equipment savings equivalent to more than 90 filing sections.

Soil Survey Field Sheets (SCS-13; 12/61)

The Soil Conservation Service is studying the feasibility of destroying soil survey field sheets compiled through techniques no longer in use. The volume of these records is estimated to be 3,000 to 4,000 cubic feet - the equivalent of 500 to 666 filing sections, or \$30,000 to \$40,000 in equipment investment.

Increased Efficiency in Soil Correlation (SCS-17)

The Soil Conservation Service has installed a system for recording selected information about individual soil series on key sort equipment, for use in soil classification and correlation. The objective is to reduce the amount of time required to identify competing or conflicting series and to reduce duplicate information.

Printing (SCS-18; 12/61)

The Soil Conservation Service will evaluate the "cold-type" process in printing the manuscript portion of soil surveys. Several soil survey reports will be prepared and printed by "cold-type" process. A record will be kept on the time and cost of the various operations to evaluate the relative advantages, of the "cold-type" versus the "hot-lead" method of printing.

Contributions for Soil Survey Work from Outside Sources (SCS-19; 12/61)

Through publications, policy memorandums, and correspondence, the Soil Conservation Service is encouraging State and local agencies to contribute to the cost of soil surveys.



Contributions are being made by city and county governments desiring soil information. State and county governments concerned with tax equalization in rural areas are also contributing funds for soil surveys. Other Federal agencies are participating to a greater extent in making soil maps on public lands. About \$750,000 per year is being contributed for this work from other sources.

Maps for Farm and Ranch Plans (SCS-20; 12/61)

The reproduction process for thousands of maps of farms and ranches, being prepared by the Cartographic Division in the Soil Conservation Service, is being studied to improve service and reduce costs.

Soil Maps (SCS-21; 12/61)

Soil Conservation Service records show that average size soil maps of the new type cost about \$4,000 less than the old color-tint map. Cost reductions of approximately \$140,000 per year are resulting on the 35 to 40 maps produced. These savings are resulting from the adoption of the newer mosaic-type map.

Kelsh Plotter Work (SCS-22; 12/61)

The Soil Conservation Service estimates that during the last several years it has saved \$148,000 per year through the use of stereoplotting instruments in the preparation of large-scale topographic maps. The use of stereo-plotting instruments has released scarce field technicians for planning and construction of specific engineering jobs, such as watershed protection and flood prevention structures, drainage layouts, and land leveling.

Use of Tellurometers (SCS-32; 12/61)

An electronic surveying instrument called a tellurometer has been acquired by SCS. The instrument should help to effect savings in the cost of obtaining ground control data for plotting work in map preparation.

Experimental Use of Video Tape (INF-1; 7/61)

The production of short features for television by means of video taping process is being tested by the Office of Information. Multiple station service could be achieved by duplication of video tapes or by multiple film prints from kinescopes of the taped material. The tapes can be erased and re-used for new features.

Pretesting Publications (INF-2; 12/60)

The Office of Information is making a cooperative study with Michigan State University to evaluate manuscripts prior to publication. The project has the objective of determining what people who use Agriculture publications prefer in format and style.

Study on Use of Agricultural Information (INF-3; 8/61)

A survey of selected daily and weekly newspapers is being made to determine what use is being made of agricultural information and to improve service to the press and the public. A sample of 200 weeklies, of 700 or more circulation, and a sample of 200 daily newspapers was conducted. A final report on this study is anticipated in the balance of fiscal year 1964.

Management of Human Resources (MASD-4; 8/61)

MOHR, (Management of Human Resources), is one of the five major programs in the Department of Agriculture MODE program, (Management of Objectives with Dollars Through Employees). The MOHR system will utilize automatic data processing methods to maintain a Manpower Inventory for approximately 40,000 persons, in selected occupations, grades GS-5 and above. Employee records will contain personnel history, performance appraisal, and test data. The development of tests and performance evaluation methods is being done by the Personnel Research Staff in the Office of Personnel. To date, two experimental test batteries have been established. Surveys for a number of occupational groups are being conducted to aid in improving performance evaluation methods and in developing career plans for each occupation.

✓ Publication Exchange Program (NAL-3; 1/63)

The Department is distributing publications to a number of domestic institutions which publish material of direct interest to agriculture workers throughout the world. The National Agricultural



Library has developed arrangements through which USDA will exchange publications with other institutions. Numerous exchange arrangements have been made to date.

- ✓ National Library for Agriculture and Biology (NAL-4; 5/63)  
The National Agricultural Library is planning a national library system for the fields of agriculture and biology, through cooperation with Land-Grant Colleges and State University Libraries, Experiment Stations, and State Libraries. The report of an ad hoc Advisory Committee, appointed by the Secretary, has been disseminated to all Land-Grant College Libraries for comment, information, and recommendations.
- ✓ Automation in Ordering, Receipting and Recording Journals (NAL-11; 10/62)  
The National Agricultural Library is conducting a feasibility study to determine whether money can be saved and service improved through mechanization. Activities to be studied include ordering by purchase, gifts, or exchange; recording, receipting and claiming of issues; renewal of purchases; answering inquiries; and preparing circulation and other special lists.
- ✓ Automation of Library Operations (NAL-12; 2/62)  
The Library is exploring the potential of automatic data processing techniques for charging and discharging library material to borrowers. Continuous and accurate reports of the utilization of library materials would be provided, enabling management to recognize rapidly changing needs of users and measure ability to meet user demands.
- ✓ Facsimile Transmission of Library Material (NAL-13; 2/62)  
The Library is studying methods for facsimile transmission of excerpts from bound volumes, pamphlets, and unbound journals — with provision for scanning and production of hard copy at receiving stations. It is expected that facsimile transmission would make the resources of the National Agricultural Library available to more people, at widely scattered locations.

Centralized Obligation Control System (OMS-1; 7/61)

A centralized obligation control system has been extended to cover all agencies and offices serviced by the Office of Management Services. This project seeks to minimize the records of allottees or workplan holders. A system was revised and simplified through the use of a new Notice of Obligation form which provides for establishing estimates by object class under each allotment, or workplan. The new approach provides the workplan holder a complete picture of the status of funds in terms of reservations against his balance at beginning of each month, as well as other benefits. The 36 field offices of the field operations division of the Statistical Reporting Service were also brought into the system on October 1, 1963. Work is still in progress on developing a special variation of the centralized system to meet the needs of the comparatively small organizations in the staff offices of the Department. A pilot installation began operating in November 1963 in the Office of Information and in the Office of Personnel, and the Office of Budget and Finance in December.

Implementation of MODE (PADA and ADAM Segments) (OMS-3)

Schedules and procedures have been established to effect the transfer of agency payrolls from a manual basis to automatic data processing at the Management Data Service Center. This change was accomplished in September 1963, covering eighteen agencies and over 6,000 employees. Steps were also taken to provide an efficient method for distributing salary checks to staff offices and the divisions of the Office of Management Services. The time and attendance contact point serving all agencies and offices in the OMS complex was transferred from the Division of Budget and Finance to the Division of Personnel. This will bring together the closely related personnel documentation and time and attendance reporting activities.

Reports Management Program (P&O-1; 2/63)

The Office of Plant and Operations is establishing a Department-wide system of reports management, providing for (1) policy and guidance for agency reports management; (2) periodic Department-wide review and evaluation of all internal and external reporting requirements; and (3) standards for report preparation.



✓ Translation Service to Researchers (NAL-8; 7/62)

The objective of this National Agricultural Library project is to establish a translation service. A pilot program to consolidate formal translation activities in Washington and the field is being considered for 1965. Handling of the service on a contract or reimbursable basis until funds are available is possible. Scientists would have quicker access to foreign research results, and economies could be achieved through establishment of this service.

✓ Acquisition of Foreign Publications (NAL-15; 7/62)

The National Agricultural Library is seeking to expand its holdings of foreign publications. Arrangements have been made with non-agricultural research libraries which participate in the Library of Congress P. L. 480 program to deposit non-agricultural publications received under this program in the National Agricultural Library.

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Criteria on Use of Research Contracts, Cooperative Agreements and Memoranda of Understanding (ARS-2; 11/61)

The Agricultural Research Service plans to revise and develop new guidelines on the use of these instruments in the conduct of research. Recommendations will be made on procedures for initiation and review of drafts of these instruments.

Standardization of Internal Procedures (ARS-16; 12/63)

The Agricultural Research Service will identify like functions in its Administrative Services Division and Field Administrative Divisions. Where possible, uniform procedures will be established prior to the application of work measurement techniques. Uniform staffing patterns and more efficient use of personnel should result.

Handling Large Construction Projects (ARS-22; 10/63)

ARS will thoroughly study construction project costs and long range building plans. The most economical means of construction on large projects will be determined.

Transportation Study (ARS-23; 12/62)

A preliminary study by the Agricultural Research Service shows savings may be achieved by greater use of GSA motor pool cars rather than private cars. Further study will be made.

Improved Space and Equipment Program (ASCS-14; 12/61)

The Agricultural Stabilization and Conservation Service made a nation-wide survey of space and equipment needs. It was found that 1764 county offices were housed in space below the minimum requirements for adequate office space. Efforts are continuing to relocate, expand or otherwise improve the needs of these offices.

Transportation Study on Use of Motor Pools (FHA-47; 4/63)

The Farmers Home Administration is making a study of transportation costs throughout its field organization. Most of the travel in its 1500 full time county offices is private cars. Analysis indicates that savings in travel funds may be achieved through the use of a motor pool when annual travel exceeds 8 thousand miles.



Management of Aircraft and Facilities (FS-17; 3/62)

The Forest Service is studying ways to improve operational efficiency of Forest Service aircraft, especially those used inter-regionally. Central control of aircraft purchases, replacements and maintenance is being studied. Purchase funds have been consolidated into one account to provide a Service-wide program for upgrading present older aircraft. A feasibility study for establishment of a maintenance and parts center is nearly finished.

Equipment Purchase vs. Leasing (FS-27; 10/62)

The first phase of this study should result in a decision table for Forest Service administrators. This will help weigh economic factors in decisions involving purchase versus lease of any type of equipment for short or long term use. Other aspects of this overall problem will be studied later. The study will be carried out by members of the Operations Research Group, Pacific Southwest Forest and Range Experiment Station, Berkeley, California.

Equipment Depot Study (FS-28; 10/62)

The study is designed to help the Forest Service determine the optimum number of equipment repair depots, including size and location, within a Region. The cost of repairs and of lost time because of non-availability of equipment will be studied. The present study will be extended to consider commercial subcontracting of both depot and forest shop work.

Data Processing Center Facilities (OMS-7; 7/62)

The objective of this project is to provide adequate facilities for the Washington Data Processing Center established by Secretary's Memorandum 1509.

Composite Inventory System (OMS-8; 7/62)

The Office of Management Services is designing a composite accountability and control system with the use of electronic data processing equipment. Like items of personal property — such as chairs, desks, file cabinets, and bookcases — will be grouped together. This will simplify accountability and will cut man hours required to take inventory and keep records. The Statistical Reporting Service and Agricultural Marketing Service are participating in the project.

Underground Construction for Power Distribution (REA-14; 10/62)

The Rural Electrification Administration is developing the detailed drawings and specifications, and the basic standards for the construction of underground power distribution systems. The use of these materials by borrowers will reduce need for engineering checks by the agency.

Pole Performance Study (REA-15; 4/51)

The Rural Electrification Administration set up a system where reports of poles in service and of poles removed are received from selected borrowers. These reports are processed on ADP. Rates of failure are determined by age, species, treatment and exposure. Data from this study will be helpful to borrowers to predict pole life and to plan for inspection, maintenance, and replacement. The data will help REA to evaluate different methods of timber preservation and to develop better specifications. A large portion of installation investment of REA borrowers is in wood poles.

Guide for Equipment Utilization (REA-43; 1/59)

The Rural Electrification Administration is collecting data on rate of replacement, failure, and obsolescence of power distribution transformers. This statistical information will be related to manufacturer, geographic location and site protection. The agency will be able to assist borrowers to predict purchase and operating costs of transformers. Manufacturers will be advised on possible design defects. New operating practices will be recommended to reduce the rate of equipment failure.

Delegation of Contracting Authority (SCS-9; 10/61)

Authority was granted to the States to enter into construction contracts and execute project agreements in amounts up to \$250,000, under the Flood Prevention and PL-566 Watershed Programs. This placed responsibility for carrying out the programs as close to the operational level as possible to



facilitate timely action and improve service. Contract administration courses were developed and presented to engineers, contracting officers, and contract specialists.

Since 1961, considerable effort has been directed toward promoting an active and sustained management improvement program in the Department of Agriculture. During the first month of the program, 484 proposals for improving operations and cutting costs were advanced by representatives from every agency and staff office in the Department. A total of 309 specific projects were selected from these proposals and an additional 240 projects have since been initiated. To date, 259 of these projects have been completed and 290 are current.

The project approach proved so successful that a continuing, Department-wide, Management Improvement Project System was established by the Secretary in 1962. The System provides the information necessary to plan, direct, coordinate and report progress in management improvement. Department agencies and staff offices are responsible for identifying areas for improvement, suggesting appropriate action, and reporting progress periodically. The System has proven useful in promoting purposeful and systematic effort in bringing about improvements. The projects cited in this report are products of the wide-spread and intensive use of this System.









